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Dutch Say Soviet Moratorium Won't Alter Stance on Missiles

By John Tagliabue
New York Times Service

BONN — The Dutch government sees no reason to alter its stance on the stationing of cruise missiles on its soil as a result of a Soviet moratorium on the deployment of SS-20 missiles in Europe, a Dutch Foreign Ministry spokesman has said.

The Soviet leader, Mikhail S. Gorbachev, announced Sunday that Moscow was freezing deployment of medium-range missiles in Europe until November and challenged the United States to do the same. The White house dismissed the Soviet move as insufficient, saying that the Soviet Union already had a 10-1 advantage in missile strength in Europe.

The Netherlands is the only country that has yet to decide whether to honor its commitment to the North Atlantic Treaty Organization to accept medium-range U.S. nuclear weapons. Under current arrangements, the government is scheduled to decide in November whether to deploy 48 Tomahawk cruise missiles on its soil, according to a 1979 NATO decision. Foreign Minister Hans van den Broek is scheduled to fly to Moscow on Tuesday to elaborate the Dutch position to Soviet leaders.

The timing of the Soviet moratorium, which is to end in November, is thought possibly to be related to the Dutch deadline. In The Hague, the Foreign Ministry's deputy spokesman, Bert Wildenburg, said Sunday that the Soviet announcement would not affect his government's decision.

"We will wait and see until Nov. 1," Mr. Wildenburg said. But he said Mr. van den Broek would also be seeking details of the Soviet proposal. "Maybe he will return with answers that are more specific," he said.

[Tass said Monday that Washington's declared reason for rejecting Mr. Gorbachev's unilateral missile moratorium was a "gross lie," Reuters reported from Moscow.

[A military writer for the official Soviet press agency, Vladimir Chernyshov, said the United States had deliberately ignored its own forward-based nuclear systems and those of Britain and France when it dismissed Mr. Gorbachev's freeze. "It is an unobjective view, to put it mildly, or a gross lie to put it straightly," the commentator said.]

[The Tass article said Washington had "hastily dismissed the U.S.S.R.'s new peace initiatives" and added, "It seems the U.S. administration wishes neither ... an arms reduction nor the renunciation of the arms buildup."]

The Dutch Parliament, in a complex decision, voted in June to accept the cruise missiles in 1988, two years later than originally planned, unless an arms limitation pact was reached with the Soviet Union by Nov. 1, 1985.

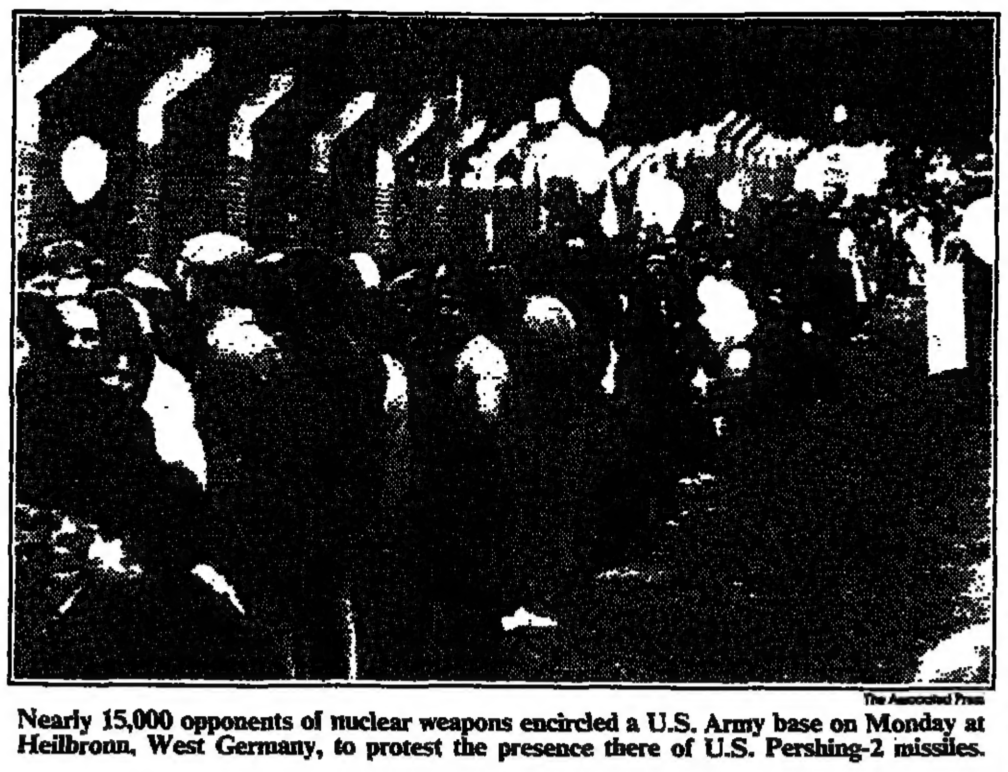
"We will make our count next November, and compare it with the number last June," the spokesman said, alluding to the Europe-based Soviet missiles. "All things are open for the Dutch."

West Germany, Italy and Britain began receiving medium-range missiles on schedule in the autumn of 1983. Last month, the Netherlands became the only government involved not committed to deployment when the Belgian government approved the immediate deployment of 16 cruise missiles on its territory.

Belgium agreed to deploy 48 cruise missiles at Florennes Air Base, about 40 miles (about 65 kilometers) south of Brussels. But the government said stationing of the remaining 32 missiles might be postponed or abandoned if progress appeared likely at the Geneva arms talks by the end of 1987. The cruise missile is a low-flying, pilotless craft.

The announcement of the moratorium by Mikhail S. Gorbachev, the Soviet leader, coincided with widespread demonstrations throughout Western Europe against increased nuclear armaments. In West Germany, Britain

(Continued on Page 2, Col. 7)



The Associated Press

Nearly 15,000 opponents of nuclear weapons encircled a U.S. Army base on Monday at Heilbronn, West Germany, to protest the presence there of U.S. Pershing-2 missiles.

Unions Call Off General Strike, Sudan Reports

Compiled by Our Staff From Dispatches

KHARTOUM, Sudan — Professional unions here called off a general strike Monday following consultations between union leaders and officials of the military regime that took power in a coup over the weekend, Omdurman radio reported.

While there were some demonstrations, Khartoum was mainly calm on Monday with most shops and businesses open as usual. Telex and telephone communications with the outside world, cut since Wednesday, were restored. Electricity and fuel supplies were also returning to normal, although Khartoum airport remained closed.

Earlier Monday, however, thousands of union members defied a warning from the new military ruler and marched on army headquarters to demand that power be surrendered to civilians. The new ruler, General Abdul Rahman Swareddahab, summoned union leaders for consultations and threatened to charge with high treason anyone calling for continuation of the general strike that has disrupted the economy.

Reuters

Abdul Rahman Swareddahab

In Washington, meanwhile, U.S. government officials said that General Swareddahab met separately Sunday with the senior U.S., Egyptian and Saudi Arabian diplomats in Khartoum and reassured them that he will keep Sudan on a pro-Western course. (Page 6)

General Swareddahab overthrew Major General Gaafar Nimeiri in a military coup on Saturday while General Nimeiri was out of the country. The unions had vowed to continue the strike until the state security apparatus was dismantled and power transferred "from the army to the people."

The end of the strike and an appeal by union leaders for all union members to return to work as usual was broadcast by Omdurman radio, the national radio network in Sudan, following a series of meetings between the new government and the unions.

The new government has already disbanded the state security police, arresting and disarming scores of former operatives and officers. Diplomats said that some former officers have offered some resistance and that several shootouts have been reported.

The government has also rolled back certain price increases that were announced by General Nimeiri before his downfall. He had been under pressure from the International Monetary Fund to impose a measure of austerity on the country's near bankrupt economy.

Monday's demonstrations in-

(Continued on Page 2, Col. 5)

Soviet Diplomatic Effort In Southeast Asia Seen

By Barbara Crossette
New York Times Service

JAKARTA — The Soviet Union, which has been increasing its military presence in Southeast Asia through the use of port and air installations in Vietnam and Cambodia, is now apparently trying to play a larger diplomatic role in the region.

Mikhail S. Kapitsa, the Soviet deputy foreign minister, who has been on a monthlong tour of Southeast Asian capitals, said at a news conference here last week that Moscow was prepared to act as a "guarantor" of peace in the region, once the countries in the area reached agreement on Cambodia.

He supported Vietnam's call for an international conference on Indochina including such nations as India, Sweden and Australia, as well as neighboring countries. All three maintain strong links with Hanoi. India recognizes the Cambodian government.

The Soviet initiative comes as the Association of Southeast Asian Nations, including Thailand, Malaysia, Singapore, Indonesia, Brunei and the Philippines, is trying to persuade the Reagan administration to take a more active role in the region. ASEAN is also pressing Hanoi to make gestures toward Washington that could open the way for diplomatic relations between Vietnam and the United States. Hanoi has repeatedly expressed interest in ties with Washington.

Several ASEAN leaders, including Indonesia's foreign minister, Mochtar Kusumaatmadja, who serves as the group's spokesman on Cambodia in talks with Vietnam, have criticized the Soviet Union for trying to divide the non-Communist ASEAN bloc.

The Soviet Union and Vietnam have for some time fostered the idea that Indonesia and, to a lesser extent, Malaysia have been more amenable to Hanoi's position on Cambodia. The Vietnamese have portrayed Thailand, which has taken the hardest line against Hanoi, as the problem, largely because of its direct involvement in the conflict.

On this trip, Mr. Kapitsa has been urging ASEAN nations to accept Hanoi's formula for a Cambodian solution. He said at a news conference here that he believed several ASEAN nations were moving toward that position.

Hanoi's position was outlined in a statement issued in Ho Chi Minh City in January by the foreign ministers of Vietnam, Cambodia and Laos. This alluded to the "irreversibility" of the military and political situation in Cambodia, but made withdrawal of Vietnamese troops contingent on the elimination of the Khmer Rouge leadership.

The Khmer Rouge under Pol Pot, remnants of the Cambodian Communist government removed by the Vietnamese in 1979, are the most powerful fighting force in the three-part, anti-Vietnamese Cambodian resistance coalition. Vietnam still has more than 160,000 troops in Cambodia.

Prince Norodom Sihanouk, a former Cambodian leader who is president of the resistance coalition, responded to Hanoi's condition for withdrawal at a news conference in Bangkok in February. He said, "If Vietnam has not been able to remove the Khmer Rouge in six years of fighting, how can they expect us to do it for them?"

In a press briefing here Saturday, Mr. Mochtar, who met Mr. Kapitsa last week on his return from talks in Hanoi, New York and Washington, suggested that the Soviet Union was sowing confusion within ASEAN.

"ASEAN does not accept the Ho Chi Minh City declaration," the Indonesian foreign minister said. "Because if you read it carefully, it amounts to recognizing the status quo, which we never have done and never will do. We do not accept the situation created by the Vietnamese invasion of Kampuchea." Kampuchea is the Cambodians' name for their country.

Mr. Mochtar said that on his visit to Hanoi last month the Vietnamese seemed more confident, since Vietnamese troops had taken control of most major Cambodian resistance bases on the border earlier this year.

■ Vietnamese Repel Rebels

Vietnamese troops held off a Cambodian guerrilla counterattack Monday inside the guerrillas' base at Nong Chan in western Cambodia, the Thai military said.

A deputy Thai border force commander said in a telephone interview with Reuters in Bangkok that Nong Chan was not yet fully under the control of the Vietnamese, who recaptured most of it on Sunday. The base is near the frontier with Thailand, about 150 miles (241 kilometers) east of Bangkok.

The officer said that six guerrillas were killed and about 15 wounded in the Vietnamese assault, and that the few hundred Khmer People's National Liberation Front guerrillas defending the camp had been pushed back to the border.

U.S.-Soviet Exchange on Missile Freeze Signals a Sharpening of Differences

By Bernard Gwertzman
New York Times Service

WASHINGTON — The public exchange Sunday between Mikhail S. Gorbachev and the White House signaled that, despite talk of a Soviet-American summit meeting, the sharp political differences between the two sides may intensify in coming months.

The chief issue that aroused the ire of the Reagan administration was what it saw as another effort by the Soviet Union to stop the United States and its North Atlantic Treaty Organization allies from deploying new missiles to offset what they contend is a Soviet advantage in Europe. Mr. Gorbachev, in answers to questions put by the Communist Party daily newspaper Pravda, announced Sunday a unilateral freeze on the deployment of medium-range missiles in Europe until November.

The substance and tenor of the exchange suggested that the projected meeting between President Ronald Reagan and Mr. Gorbachev was becoming linked with progress in the Geneva arms talks even though neither side has made an explicit connection between the two.

Mr. Gorbachev seemed to offer a conciliatory hand to the United States by confirming that he had agreed in principle to meet with Mr. Reagan. But at the same time his moratorium seemed designed to cause dissension in the North Atlantic Treaty Organization and to undercut U.S. interests in Europe, U.S. officials said.

The White House responded swiftly to his announcement of a freeze. Speaking in Santa Barbara, California, the White House spokesman, Larry Speakes, dismissed it as insufficient and designed to maintain an already existing Soviet advantage.

His focus on Mr. Gorbachev's missile proposal suggested that the brief pause in acrimonious rela-

NEWS ANALYSIS

tions between the United States and the Soviet Union may be over.

What led the vacationing White House to respond so quickly to Mr. Gorbachev's arms control statements was the unconcealed irritation of senior officials at the fact that the Russians were going public with private positions that they know are unacceptable to the administration. The Americans were also annoyed by what a State Department official called the "ultimatum sound" to what Mr. Gorbachev called his "goodwill" announcement.

Mr. Gorbachev said the Soviet Union, to move the arms talks forward, would immediately forgo the deployment of additional intermediate-range missiles and would stop taking the "reply-measures" in Europe that were announced after the West began the deployment of new Pershing-2 and land-based cruise missiles in Europe in 1983. The moratorium, however, will be extended after its November deadline only if the United States halts the deployment of the two missiles, he said.

Mr. Gorbachev did not say why November was chosen as the cutoff date, but most discussions about the possible time of a Reagan-Gorbachev meeting have focused on October in New York or Washington, or both, at the time of special United Nations ceremonies marking the 40th anniversary of the General Assembly.

In addition, there is a sense that the Soviet side is trying again to put pressure on the Netherlands not to deploy cruise missiles, and to aid the peace-movement efforts in West Germany and Britain to block further missile emplacements. The Netherlands is scheduled to decide in November whether to go ahead with deployment.

The November deadline also irked some U.S. officials because they saw Mr. Gorbachev again trying to block the NATO alliance

(Continued on Page 2, Col. 5)

Mondale Comes to Terms With Loss

By Dan Balz
and Milton Coleman
Washington Post Service

WASHINGTON — Walter F. Mondale says that his failings as a communicator contributed significantly to his crushing defeat last year, and he also expressed resentment toward the Reverend Jesse L. Jackson for making "life quite difficult for me."

"I tried to treat the first black candidate for president of the United States with dignity and to accept the seriousness of that candidacy, and I believe that was right," Mr. Mondale said in an interview. "I don't believe that Jesse treated me in an equivalent way."

The former vice president acknowledged that marathon campaigning had left him "exhausted, bone tired" and that its end, in which he lost 49 states to President Ronald Reagan, had brought "tremendous relief" and disappointment.

"There's no question that history will record that I took a helluva shellacking," Mr. Mondale said.

"Now I think there's a lot of things I'm going to be blamed for, and many of those criticisms I accept," he added. "I think if you look at the campaign in retrospect, I looked like a person who was always talking about problems, about tough steps that were needed to solve problems.

"While my opponent was handing out rose petals, I was handing out coal. Someone said that he called for change without mercy and I called for mercy without change.

"You know, I've never lost young people before," Mr. Mondale said. "I did not communicate hope and opportunity and change, even though that's what I was saying. That's not what they heard, and I'm responsible for that."

Mr. Mondale spoke kindly of Senator Gary Hart of Colorado, his chief competitor for the Democratic nomination.

"At the convention, he was the first to come to me and sign up," Mr. Mondale said. "He did everything he could to produce a successful convention, and he went out of that convention and he did everything he could for me in that campaign."

But asked whether he should have handled the challenges from Mr. Jackson differently, Mr. Mondale replied in tough and measured terms. "I am not happy with the situation at all," he said. "Whether I could have handled it differently, I don't know."

Mr. Mondale, who sought to avoid confrontation with Mr. Jackson throughout the campaign, continued: "I earned my spurs in the civil rights movement. All my life, not for political but for religious reasons, moral reasons, that's where I've been, and I'm proud of it, and I'll always be there." Mr. Jackson "did not accept that, and it made life quite difficult for me."

Mr. Mondale expressed no regrets over his choice of Geraldine A. Ferraro, then a congresswoman from New York, as the vice-presidential candidate and said that waiting a few more days to look over the finances of Ms. Ferraro and her husband, John A. Zaccaro, would not have prevented the controversy over their tax returns.

Mr. Mondale repeated assertions that he would not run for public office again and that he was excited about his "new life" as an international lawyer with the firm of Winston & Strawn. He plans to leave soon for his first trip, to England, Finland, Norway and Greece.

Mr. Mondale said he deliberately had taken nearly half a year before embarking on his new career.

"Number one, I had to make a hard choice on whether I was going to seek office again — to go back to the Senate or run for the presidency," Mr. Mondale said.

"And I made a hard choice not to do that because if you don't get that out of you, you can't plan your life. The second thing, you can't bear grudges. I'm not going to write a book to settle old scores; I'm not going to do any of that," he said.

Of his decision not to seek office again, Mr. Mondale said: "I've been at this for over two decades, and I didn't want to be a perennial uh, uh." He could not bring himself to finish the sentence.

"I wanted to win" last November's election, he said. "I thought I could be a good president. I thought I was right on the issues.

"And I lost, and it's an election with a lot at stake." Mr. Reagan "will now get the Supreme Court for sure," Mr. Mondale said. "He will be able to carry on a lot of the dismantling of programs that I feel deeply about. His retreat on civil rights and women's rights is profound. This 'star wars' stuff is very, very dangerous. And he will be able to succeed in a lot of that."

Greek Court Rules Ship Was Scuttled in Fraud

Reuters

PIRAEUS, Greece — A Greek court upheld charges Monday that a supertanker that sank off Africa in 1980 was scuttled in an insurance fraud.

The court found that the crew of the ship had unloaded most of its cargo in South Africa, embezzling oil from its rightful owners, Shell.

It jailed a shipping agent and four seamen for complicity in scuttling the 92,228-ton Salem. The ship sank off Senegal.

The court sentenced the agent, Nikos Mitakis, to 11 years for causing a shipwreck, embezzlement and insurance fraud. Four crewmen were given sentences ranging from two years and two months to four years.

Seven others were sentenced to three years each in their absence. Among them were a Lebanese-American, Frederick Soudan, the Salem's owner who has been convicted of fraud in Houston, Texas, and a Dutchman, Anton Reidel, who is due to stand trial in Rotterdam.

The prosecution charged that the Salem had unloaded most of its cargo in Durban, South Africa, in defiance of an Arab ban on oil sales to South Africa. The prosecution said the ship had been bought to deliver the oil, from Kuwait, and that the scuttling had been planned.

The defense alleged that Shell was a party to the South African delivery and had claimed that the tanker had been scuttled because the vessel had sunk accidentally and Shell feared exposure of its role in sanctions-busting.

The ship's captain and another seaman, both tried in their absence, were not sentenced and the president of the court said their case would be reopened if they were arrested. Seven seamen were acquitted.

The defense, drawing heavily on a South African government report, rejected the idea that Shell had been a victim of theft.

It said a third of the oil was given to a Shell division as soon as the ship arrived in South Africa, and that Shell appeared to have known the cargo's destination from an early stage.

During the trial, the court heard that Mr. Reidel and Mr. Soudan made a deal in 1979 to supply South Africa with up to 6 million barrels of oil.

They had then offered the Salem on the charter market with the intention of stealing the cargo from whoever hired the vessel.

Shell initially made inquiries about using the tanker and then dropped out. Pontoil, a now defunct Italian oil trader, chartered the vessel but said it had sold the 180,000-ton cargo to Shell a few days after it sailed from Kuwait.

Eugenio Goldieri

View of the Friday Mosque in Isfahan.

Major Mosque in Iran Was Shelled

By Souren Melikian
International Herald Tribune

PARIS — The most artistically important mosque in Iran, the huge Friday Mosque, was severely damaged by Iraqi bombing raids on Isfahan last month, according to sources in Paris and Tehran.

Chahryar Adle, the Iranian official responsible for submitting to the United Nations Educational, Scientific and Cultural Organization a list of Iranian artistic monuments, said: "This is the greatest cultural casualty since the damage that was inflicted on the temples at Angkor." He was referring to Angkor Wat, the 12th-century Cambodian temple complex, which was shelled during the Cambodian conflict in the 1970s.

Noting that no strategic or economic military target lies within miles of the mosque, the sources said they wondered if the Iraqis were again attacking artistic treasures in an attempt to damage Iranian morale. Art historians noted that in the initial stages of the Iraqi invasion of southwestern Iran in 1980, the historic center of Dezful was devastated for no perceptible military purpose. The first bombing of Isfahan also was in 1980.

The Friday Mosque, or Masjed-e Jom'e, covers 23,000 square meters (250,000 square feet) and stands out clearly in the many aerial photographs of Isfahan that have been published.

The southeast corner of the mosque was the worst affected by the bombings, the sources said. As Iraqi fighters flew over the historic center of one of the great art cities of the world on March 13, a rocket was fired at the arcaded prayer hall, destroying 14 cupolas dating to the 14th century.

Several arches around the destroyed area were split and are in danger of collapsing.

The same rocket flattened the caravansary of Shekar Beg, the palatial quarters adjacent to the southeastern corner of the mosque, and 20 vaulted rooms belonging to the small bazaar of Ali. These were erected under the Safavid dynasty (1502-1722), when much of the royal city of Isfahan was redesigned.

A second rocket hit the Meydan-e Kohne, or Old Square, in the middle of the oldest bazaar of Isfahan, the Bazar-e Araban, where 14 vaulted rooms were destroyed.

The Friday Mosque was built principally between the 10th and 16th centuries.

Reuters

A WHAMO TIME — A youth dances in the aisle during a Beijing rock performance by Wham. Page 2.

INSIDE

Fighting Escalates in Beirut and Sidon

United Press International

BEIRUT — Fighting escalated Monday in Beirut, in the mountains east of the capital and in the southern port of Sidon, heightening fears that the conflict would become a civil war between Christian and Moslem militias.

Sidon's Christian and Moslem religious and political leaders met Monday to discuss ways of ending the fighting, which has claimed more than 70 lives in the past three weeks.

Also attending the Sidon meeting were the defense minister, Adel Osseiran, top Lebanese army officers, Christian and Moslem members of Parliament from the Sidon area, and a representative each from the Shiite Amal militias and the Christian Phalangist party.

Prime Minister Rashid Karami also met Monday with the U.S. ambassador, Reginald Bartholomew, but both men declined to comment after the brief session at Mr. Karami's office in Moslem West Beirut.

[In the Sidon fighting, three persons were killed and 10 were wounded, Reuters quoted security sources as saying. In Beirut, a Lebanese army soldier was killed and a civilian was badly injured in machine-gun and grenade clashes during the night on the Green Line that separates the Christian and Moslem sections of the city.]

Rival factions blamed each other for the sudden escalation of violence, which quickly spread from Sidon to Beirut and then to the mountains overlooking the capital.

"It was like a shock. Fighting has spread from one flashpoint to another," a Lebanese military source said.

The fighting around Sidon, like that in Beirut, was between Christian and Moslem militiamen, while the battle on the hills east of Beirut pitted Lebanese army troops against Druze Moslem forces.

Mr. Karami also met with a cabinet member, Salim al-Hoss, a former prime minister, for discussions that concentrated on developments in Sidon. Mr. Hoss later called for urgent action to check the violence "before it is too late." As did other Moslem officials, Mr. Hoss blamed the Lebanese Forces, a renegade Christian militia, for the fighting in Sidon, 24 miles (38 kilometers) south of Beirut. Police sources said the Moslems responded to a Christian barrage on the inner city by shelling Christian neighborhoods.

Lebanese Forces gunmen began fighting with army units and Palestinian-backed Moslem militiamen in the Sidon area after Samir Geagea, a Christian militia commander, led a revolt March 18 against Mr. Gemayel because of his growing dependence on Syria.

Moslem leaders charge that Israel is backing the revolt and encouraging the Christian militiamen — Israel's traditional allies in Lebanon — to step up the fighting around Sidon in a bid to partition the city into Christian and Moslem sectors.

Beirut television said that President Amin Gemayel and President Hafez al-Assad of Syria discussed the situation by telephone Sunday and agreed that the violence there could trigger further "dangerous developments."

In Beirut, the Shiite Moslem-led Amal militia said Israeli troops were strapping Lebanese prisoners onto their military vehicles to deter guerrilla attacks on their occupation forces in southern Lebanon. Israel had no comment on the claim and there was no immediate evidence to support it.

Adeeb Haidar, a member of the Shiite Amal militia, said the Israelis "think this will enable them to move around more freely in the south."

"But we tell them, he who loses 100,000 people in 10 years of civil war doesn't mind losing four, five or 10 more," Mr. Haidar said. "The resistance movement will keep striking at their tanks and vehicles whether they are carrying our people or not."

Rock Group Wham: No Wow in China

By John F. Burns
New York Times Service

BEIJING — For days Wham had been the talk of the town.

But when big-time rock music hit China on Sunday in the form of a concert by the British group, the reaction in the 12,000-seat Workers Stadium was characteristic of the perplexity that is common when Chinese encounter a new facet of Western culture first hand.

Western college students danced in the aisles as the British duo played some of the songs that have propelled them onto best-selling charts in the United States and Britain. But most Chinese remained stolidly in their seats, seemingly unsure what to make of the arcing strobe lights, the pulsing guitars and the rest of the paraphernalia that accompanies a Western rock band.

The result was a concert attended by 10,000 that was curiously muted, at least by the standards for such performances in the West.

It was the first time that a major rock group had been allowed to perform here, and there was a recognition on both sides that it was something of a test.

When they flew to Beijing last week with a 105-member entourage, George Michael, 21, the singer and songwriter, and Andrew Ridgeley, 22, who plays guitar, dropped into the middle of an ideological debate. Arrangements for the tour were made last year in the freewheeling atmosphere that pervaded many aspects of Chinese life before a shift in the political winds brought fresh questioning at high party levels about the country's "open door" policy.

At one level, the debate is about the extent to which the party should encourage foreign investment, private enterprise and other Western economic practices, but the debate has had a cultural dimension, too. A leftist faction associated with the party's chief of ideology, Deng Liqun, has voiced renewed concern about the "spiritual pollution" that can result from Western influences.

Wham, which has sold more than two million copies of its current album, "Make It Big," has paid all costs for the performance here Sunday and for a second one in Canton on Friday. The band's managers estimate the costs at $750,000, which the group hopes to recoup through sale of a video that is being made of the tour.

To obtain their invitation, the group tried to accommodate Chinese sensitivities. They submitted a videotape of a live performance, dropped at least one of their hit songs, "Love Machine," from the concert and cut erotic sequences from a video that was played during the intermission. This enabled the sponsoring organization, the All-China Youth Federation, to describe the group as healthy.

Since its arrival in China, the group had been careful to avoid political comments. But at the concert Sunday, Mr. Michael introduced a song called "Freedom," which has been at the top of the charts in Britain. "We hope that one day it will be the No. 1 in China too, with your help," Mr. Michael said, punching his arm in the air.

There was no visible reaction from the Chinese audience, which did not have the advantage of translation. But there was little doubt that it registered with the senior officials who watched from a podium set to one side of the stage, with interpreters behind them. Among the officials was General Xiao Hua, 70, who is a member of the party's Central Committee and an associate of the country's preeminent leader, Deng Xiaoping.

Some of the gyrations of Mr. Michael and Mr. Ridgeley and Mr. Michael's decision to appear barechested beneath his white jacket also seemed unlikely to win official approval.

Scuffles between policemen and the audience might also disturb officials. At the start of the concert an announcer asked the audience to "remain seated and watch with patience." Policemen tried to enforce this, at least for the Chinese. As the concert ended, at least one Chinese was led away under arrest.

At times, when under pressure from the left, Mr. Deng has warned of what he called the pernicious influence of some aspects of Western culture. At other times, he has said that China has little to fear. In this mood, prevalent in recent years, he has permitted a latitude in cultural matters that was unthinkable in the days of Chairman Mao Zedong.

The Associated Press

NO RETREAT — Javier Pérez de Cuéllar, UN secretary-general, left, and Ali Akbar Velayati, Iran's foreign minister, visited a Tehran mosque Monday. President Ali Khamenei affirmed to Mr. Pérez de Cuéllar, who went on to Baghdad, that President Saddam Hussein of Iraq must be overthrown before the Gulf war can end.

Sudanese Unions End Strike; Khartoum Is Reported Calm

(Continued from Page 1)

cluded calls for an end to the ban on alcohol that was imposed by General Nimeiri 18 months ago.

"We want beer, we want beer," hundreds of demonstrators shouted outside hotels and other public buildings.

General Nimeiri poured Sudan's liquor stocks into the Nile when he imposed Islamic law in September 1983.

In Cairo, General Nimeiri was taken to the Armed Forces Hospital on Monday for medical tests, The Associated Press quoted a source close to the Egyptian government as saying. The source said previous reports that General Nimeiri, 55, had suffered a heart attack were erroneous.

Security men at the hospital said, however, that General Nimeiri had not visited the hospital.

The Middle East News Agency, Egypt's semi-official news agency, reported Monday that General Nimeiri had sent a message to General Swareddahab, a long-time ally, saying that he understood the motives behind the coup.

"Nimeiri wished General Swareddahab success in the discharge of his new responsibilities in the service of Sudan and in defending Sudan against the forces of conspiracy and in preserving its national unity," the news agency said. It quoted the deposed leader as saying that "he, as a Sudanese citizen, always will remain at the service of Sudan."

The junta, made up of nine military officers and three civilians, issued a terse communiqué on Monday warning that any call for a continuation of the strike would be treated as treason and would be punishable by death.

"The Peoples Armed Forces are applying all the required measures of the emergency with the necessary firmness and decisiveness," the communiqué said. "Any call for the continuation of the strike or for a stoppage of work is considered high treason."

The Sudan news agency said that eight persons were killed in the "popular uprising," but it was unclear whether SUNA was referring to the week preceeding the takeover or the takeover itself.

The agency blamed the security police for the deaths. Diplomats said they had no confirmation of any deaths in the takeover itself.

The Sudan agency said that more than 350 political prisoners detained by General Nimeiri have been freed by government fiat.

Army troops continued to guard key installations throughout Khartoum on Monday, including the airport and government offices, but they maintained a low profile on the downtown streets.

(AP, UPI, Reuters)

Chun to Confer With Reagan

Reuters

SEOUL — President Chun Doo Hwan of South Korea will visit Washington April 25-27 for talks with President Ronald Reagan on international issues and the expansion of trade, Western diplomats said Monday.

U.S.-Soviet Exchange Shows Sharpening of Differences

(Continued from Page 1)

from ending the overwhelming Soviet advantage in intermediate-range missiles, which, they say, is now 10 to 1.

According to U.S. figures, the Soviet Union has deployed 414 SS-20s, of which 276 are targeted on Western Europe, and the others on China and Japan. The missiles have three warheads each and are highly mobile. The Soviet deployment also includes older SS-3s and SS-4s, U.S. officials said.

The countermeasures announced by the Russians in 1983 were the installation of shorter-range SS-23s and SS-21s in Czechoslovakia and the stationing of additional missile-armed submarines off the U.S. coast. At the time, these measures seemed superfluous to U.S. officials because, by their count, the Soviet Union already had a huge advantage.

The United States, as part of a 1979 NATO decision, is to deploy 572 new, single-warhead missiles in Europe, of which 108 Pershing-2s are to replace older Pershing-1s in West Germany. An additional 464 cruise missiles, slower and lower-flying than the Pershings, are to be placed in West Germany, Britain, Italy, Belgium and the Netherlands. So far, 54 Pershings and 64 cruise missiles have been deployed in West Germany, Britain, Italy and Belgium. And it is unlikely that a total of more than 200 will be deployed by November, officials said.

Mr. Gorbachev also called for a freeze on deployment of new strategic nuclear weapons and on research into space defensive weapons.

U.S. officials said this proposal was made by the Soviet side at Geneva in recent weeks. The United States has told the Soviet Union that it does not support a freeze because of Soviet advantages in land-based strategic arms and the need to continue deployment of the MX, and because it would be impossible to monitor a halt in research into defensive space weapons.

The outline of the U.S. position at Geneva has been divulged through briefings and speeches despite the agreement on confidentiality in the negotiations.

The U.S. position is that there should be parity in each side's intermediate-range missiles, meaning that the Soviet Union would have to cut the number of its SS-20s to match whatever agreed-upon number the United States could have.

Washington proposes tradeoffs in each side's strategic arsenals, with an eventual goal of some 5,000 warheads as against the current levels of about 8,000 on each side. The tradeoffs could involve cuts in U.S. bombers and Soviet land-based missiles. And Washington demands no limits on research for its Strategic Defense Initiative.

WORLD BRIEFS

Liberia Executes Head of Coup Plot

MONROVIA, Liberia (AFP) — The deputy commander of Liberia's presidential guard, Colonel Moses Flanzamaton, was publicly executed Sunday just hours after being convicted of trying to assassinate Samuel K. Doe, the Liberian leader, on April 1.

Mr. Doe, citing insufficient evidence, earlier freed four leading opposition politicians who were jailed after Colonel Flanzamaton implicated them in the assassination attempt. According to the Liberian news agency, Colonel Flanzamaton fired on Mr. Doe's car with a .50-caliber machine gun, wounding two bodyguards but missing the president.

Mr. Doe, a former master sergeant who took power in a coup in April 1980, said he believed the attempt on his life was motivated by Colonel Flanzamaton's fear of being sent to prison for debts he owed to the government's produce marketing company. Mr. Doe recently fired a number of government officials for indebtedness to state corporations.

France Would Sell India Atomic Fuel

NEW DELHI (AP) — A senior French official said Monday his country was willing to sell nuclear power technology to India.

Georges Vendryes, senior adviser to the French Atomic Energy Commission, said in Madras that India can buy the latest French pressurized-water reactors that are fueled by slightly enriched uranium. India has three nuclear power plants and two are under construction. The plants are based on natural uranium technology involving the use of heavy water as a moderator.

India is to switch to fast-breeder technology at the end of the century after installing 10,000-megawatt natural uranium-fueled plants. Fast-breeder reactors produce more fissionable material such as plutonium than they consume. Mr. Vendryes, who is leading a delegation of French nuclear scientists to India, was quoted by the Press Trust of India news agency as saying, "India need not shy away from pressurized-water reactors. France would ensure uninterrupted supply of enriched uranium for a long time."

A Leader of Soviet Miners Removed

MOSCOW (Reuters) — One of the leaders of the Soviet coal miners' union has been removed from his post, officials said Monday. A union official said that Ivan Belousov had been replaced some time ago as one of three secretaries to the union's chairman, Mikhail Srebny.

Mr. Belousov announced a fuel embargo against Britain last year during the British miners' strike and was later overruled by a Soviet ministry. Another official, Anatoli Chebotayev, had taken the place of Mr. Belousov, who no longer worked at the headquarters, the union official added.

Mr. Belousov appeared on television in October and declared that all deliveries of fuel to Britain had been suspended in support of British miners, then in the seventh month of a yearlong strike over pit closures. However, British importers did not notice any restrictions and the Soviet Foreign Trade Ministry quickly denied that there was an an embargo. Moscow has often said that it opposes trade sanctions.

Gun Tied to Killing of Envoys in Paris

PARIS (Reuters) — French intelligence officers have discovered a Lebanese guerrilla arms cache in Paris which includes a pistol apparently used to assassinate two foreign diplomats three years ago, the Interior Ministry said Monday.

A ministry spokesman said officers last Tuesday raided an apartment rented by a Lebanese guerrilla suspect, Abdallah Georges Ibrahim, near the Champs-Elysées and found 44 pounds (20 kilograms) of explosives, two rocket-launchers and an assortment of automatic weapons. Among the weapons was a Czechoslovak 7.65mm automatic pistol probably used in the 1982 killings of U.S. military attaché, Lieutenant Colonel Charles R. Ray, and an Israeli diplomat, Yacov Barsimantov, the spokesman said.

The Beirut-based Lebanese Armed Revolutionary Factions last month demanded Mr. Ibrahim's release in exchange for the life of a French diplomat they were holding hostage. The diplomat was later freed. The group first surfaced in Paris in 1981 when it claimed responsibility for an abortive attempt to kill the U.S. chargé d'affaires, Christian A. Chapman. They claimed the killings of Colonel Ray and Mr. Barsimantov.

Poles Erect Memorial to Katyn Dead

WARSAW (Reuters) — Polish authorities have quietly erected a memorial in Warsaw to more than 4,000 Polish officers executed in Katyn forest during World War II. The inscription blames the massacre on the Germans.

Most Poles hold that Soviet forces shot the officers in 1940. The dead were among about 15,000 officers whom Soviet forces took prisoner after invading Poland in September 1939.

A 12-foot (3.6-meter) white granite cross was put up in a Warsaw ceremony more than a week ago unannounced, cemetery workers said. The inscription was to "victims of Hitlerite Fascism." In the ground nearby someone had scrawled "1940 NKVD" — a reference to the Soviet security police of that time.

For the Record

Bombs lightly damaged a NATO pipeline in southern West Germany and the offices of a military equipment company in Hamburg on Monday, police reported. Nobody was hurt. *(AP)*

Fatahi el-Tarboni, 29, a Libyan accused of fatally shooting an anti-government Libyan exile and wounding two passersby in a crowded Bonn square on Saturday has been charged with murder, police said Monday in Bonn. *(Reuters)*

Sir Geoffrey Howe, the British foreign secretary, arrived Monday in East Berlin to start a tour of East Germany, Czechoslovakia and Poland aimed at warmer relations between Eastern and Western Europe. *(AP)*

The retrial of Claus von Bulow, the financier accused of trying to kill his wife, began Monday in Providence, Rhode Island. *(UPI)*

Dutch Won't Alter Position

(Continued from Page 1)

and Italy, tens of thousands of people staged Easter rallies in four days of protests against the arms race and United States missiles in Europe.

■ **British Demonstrate**

Anti-nuclear demonstrators taking part in an annual protest gathered Monday at what is to be the second U.S. cruise missile site in Britain, arguing that the freeze on Soviet missile deployment eliminates the need for the weapons, The Associated Press reported from Molesworth, England.

About 1,200 people camped out on Defense Ministry land, 200 yards (about 180 meters) from the U.S. air base under construction at Molesworth, 65 miles north of London. A police force of about 2,000 also was on hand.

The protest was organized by the Campaign for Nuclear Disarmament. Its chairwoman, Joan Ruddock, said the announcement Sunday by Mr. Gorbachev deserved President Reagan's serious consideration.

"The Americans really have no excuse for bringing more cruise missiles into Britain now," Mrs. Ruddock said. "Mr. Gorbachev has taken an historic independent step and President Reagan should seize the opportunity to respond."

The organization said up to 20,000 demonstrators were expected to join the rally at the end of the four-day protest.

Gromyko to Austria in May

Reuters

MOSCOW — Andrei A. Gromyko, the Soviet foreign minister, will visit Austria in mid-May to attend 30th anniversary celebrations of the restoration of Austrian independence, the Tass news agency reported Monday.

Russians Redefine Oxford Entries To Suit Ideology

United Press International

LONDON — Soviet editors of special editions of the Oxford English Dictionary changed the definitions of key words to fall in with Communist Party doctrine, the dictionary's publisher said Monday.

George Richardson, chief executive of the Oxford University Press, said that he regretted the changes in the Soviet editions. He said the OUP gave the Soviet Union permission to print the dictionaries in 1982 and 1983.

In the Soviet edition of the Oxford Student's Dictionary of Current English, "socialism" is defined as "a social and economic system which is replacing capitalism." The Soviet edition of the Oxford Advanced Learner's Dictionary of Current English defined "capitalism" as the system "replacing feudalism and preceding communism."

Both dictionaries changed the definitions of other political words: "communism" — "the revolutionary replacement of capitalism;" "imperialism" — "the highest and last stage of capitalism;" "fascism" — "a form of reactionary, nationalistic, anti-democratic, anti-Communist, bourgeois movement and regime, typical of the era of imperialism."

INTERNATIONAL Herald Tribune
Published With The New York Times and The Washington Post

Convergence Is the Cure

Economic disputes between America and France are frequent because their approaches to the economy differ. France tends to the view that government action is needed to steer the market; Americans hold that what the market does by itself is probably right. The gap has not narrowed in the last few years, despite French moves toward greater free-market orientation, because America has moved faster in the same direction.

This divergence can be helpful. There is much to be said, in economics, for the Hegelian process of thesis, antithesis and synthesis, so long as no one imagines that lasting synthesis will be achieved. The problem with the present dispute is that France has a good reservation about America's thesis but is putting forth the wrong antithesis.

The United States wants a new ambitious round of negotiations to reduce barriers to international trade. France hesitates to go along with this unless there are parallel negotiations about reform of the international monetary system — which is economists' shorthand for saying that currency markets ought to be calmed down. One can see the point by recalling that in six years the cost of the dollar rose from 4 francs, which was far too cheap, to well over 10, which was excessive. Obviously it is hardly worthwhile entering into a new and lengthy round of multi-country trade bargaining if the bargains ultimately struck risk being frustrated by vast and unpredictable changes in exchange rates. A country conceding, say, a 10-percent cut in its tariff protection concedes nothing if, for quite different reasons, its exchange rate suddenly plummets.

But the solution is not, as France has urged, to summon a new international conference — a rerun of the 1944 Bretton Woods marathon — to try to "reform" the world monetary system. Few of us are likely again to see the old system whereby each country's exchange rate was fixed and rigorously defended. The only question is how to make the present floating system work better. A conference that gets bogged down in new schemes for official intervention, for setting targets to circumscribe rate fluctuations or for simply giving countries more drawing rights on the IMF is not going to solve the problem that worries the French. It would attack symptoms, not causes.

Exchange rates follow a fever-chart course because national economic policies are too divergent. America currently acts like the last of the big-time spenders, while European and Japanese policies border on the demure. We need more convergence and less national pigheadedness. The habit of looking at the international ramifications of national policies and listening to foreign advice before it is too late has been lost. This was why economic policy in both America and France went so wildly wrong recently. Other countries could be cited.

We do not need monetary reform to restore the international cooperation required for economic sanity. The machinery and the tradition exist but have rusted with disuse. The string of international meetings starting with the OECD this week and culminating in the economic summit in early May should oil the machine and kick the starter.

INTERNATIONAL HERALD TRIBUNE.

After the Coup in Sudan

Coups come, and those trying to comprehend them reach for a familiar range of explanations. Among the first is always an enumeration of the personal flaws of the deposed leader. Sudan's Gaafar Nimeiri was given, especially in his late years, to flights of erraticism — not least his effort to impose Koranic law on the non-Moslem south. Often there are special misfortunes, natural or man-made, which overwhelm government structures already creaking under burdens of poverty and underdevelopment; in Sudan it may have been four years of drought and a flow of a million refugees from Ethiopia. Then there are the cares added by virtue of a country's links with foreign patrons. To keep vital aid flowing from international creditors, Mr. Nimeiri had announced price increases that led to strikes and riots and, overall, created a chemistry that made a fresh coup almost predictable.

It is not necessarily a bad thing. Mr. Nimeiri ruled 16 years. No mechanism existed for an orderly transfer of power. The new man promises to hold power only for "an interim period." Whether he is being modest or simply deceptive remains to be seen. Few would claim, however, that Sudan has only "interim" needs. It is more than a very poor, deeply split country laboring under heavy social and economic disabilities. It is one of many African countries for which the foreign-made models of development and growth seem not to apply.

The United States had played a chancy end game with Mr. Nimeiri, putting new chips on him, with a warm Washington reception, just as he was swept off the board. The immediate result is an embarrassment to American diplomacy, but the United States got much value from Mr. Nimeiri over the years in strategic and geopolitical coin; he supported the projection of American power in the region and provided important backing for Camp David.

Washington now wonders somewhat anxiously whether the new order in Khartoum will see merit in the old order's tie with the United States and the international financial institutions. But perhaps this is the wrong question. Perhaps the right question is what the United States, the IMF and the relief and development agencies can do to respond more effectively to the needs of the Sudanese people.

— *THE WASHINGTON POST.*

A Challenge for Mexico

Investigators tracking the career of Rafael Caro Quintero call him one of Mexico's biggest drug dealers. He "loves what money can buy," and too often, they suspect, what it buys in Mexico is freedom from arrest and prosecution. But Mr. Caro Quintero's money did him little good in Costa Rica last week, where he had fled after the kidnap-murder of a U.S. drug agent, Enrique Camarena Salazar. The Mexican, a key suspect in the case, was arrested by Costa Rican authorities. There is talk of finding grounds to extradite him to the United States, but for now the focus is on Mexico. How its officials handle the case will tell much about their commitment to drug enforcement.

Investigators call Mr. Caro Quintero "a wild guy." He is building an 18-hectare (45-acre) compound near Guadalajara, uses cocaine heavily and takes to the streets in well-armed convoys, an AK-47 automatic rifle at his side. Mexico in the late '70s had stopped being a top supplier of heroin and marijuana to the U.S. market and had become an effective partner in the drive to wipe out drug production. Now, however, Mexican drug shipments are increasing again and Americans are disturbed to find the trade flourishing openly and corruptly.

Why do some of Mexico's huge marijuana farms seem to be immune from the crop eradication campaign? Why did Mexico dally in pursuing Mr. Camarena Salazar's murderers — arresting some police officers only after Washington brought great pressure? How deeply are Mexican police involved with the drug business? Mr. Caro Quintero was allowed to leave Mexico on a private jet, in full view of Mexican agents sent to arrest him. Mexicans bridle at these questions, protesting that they remain committed to the fight against drugs and corruption. Mr. Caro Quintero's arrest gives them a new chance to prove it.

— *THE NEW YORK TIMES.*

Other Opinion

Relief and Worry After Nimeiri

Few coups d'etat in history can have caused less surprise than the one which on Saturday brought to an end the nearly 16-year-old reign of President Nimeiri in Sudan. [His] close and deliberate identification of his government with the regional interests and policies of Egypt and the United States makes his overthrow a source of anxiety to both those countries. Yet there can be little doubt that both governments have for some time privately regarded his erratic and incompetent administration as a liability, and both will be relieved that the end, now it has come, has taken the form of a bloodless coup whose immediate effect, at least, has been to restore order.

— *The Times (London).*

FROM OUR APRIL 9 PAGES, 75 AND 50 YEARS AGO

1910: Tigre Official Backs Empress

ADDIS ABEBA (via Rome) — Troubles have broken out in the Tigre Province. Governor Ras Olie has, either of his own accord or by order of the Empress, decided to advance on Addis Abeba. With this end in view he has sent the following delphic despatch to the chiefs under his command: "I have lost my red cow; help me to find it." The "red cow" means the Empress Taitou, who has lost power. (Red is the Imperial color.) It appears that the chiefs have not the intention of following Ras Olie, while his soldiers are deserting to the Regent. The cause of the Empress is unpopular. Taitou has made herself disliked by her despotism. Bodies of troops are leaving the capital daily to reinforce the Government forces.

1935: Times Publisher Ochs Dies

CHATTANOOGA — Adolph S. Ochs, publisher of 'The New York Times,' died suddenly [on April 8] in this city, where he began his newspaper career 57 years ago by acquiring 'The Chatanooga Times.' He was 77. Although he was not in the best of health recently, his death was sudden and unexpected. He was stricken with a cerebral hemorrhage and died in a sanatorium to which he had been hurried. Adolph S. Ochs was one of the greatest figures in newspapers on the American continent in the last 30 years. His example was an influence toward moderation in its tone. The mild tone and impersonal spirit of his newspaper were widely imitated by journalists who regarded him as the great oracle of journalism.

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Vietnam Taught a Lesson That Some Failed to Learn

By George W. Ball

The writer served as a U.S. undersecretary of state from 1961 to 1966.

NEW YORK — Just 10 years ago Americans witnessed the tragic, televised spectacle of Vietnamese men and women clinging desperately to the undercarriages of planes and helicopters evacuating Americans from a beleaguered Saigon. Those hours of anguish and humiliation cannot and should not be forgotten, for the Vietnam catastrophe has left its evil mark on many aspects of America's national life and critically diminished its international effectiveness. Today we are left with brooding questions: Why did it all happen? And what might have been done to avert or at least limit that catastrophe?

In retrospect, it seems likely that the Vietnam War was the inevitable consequence of an excessive, exuberant sense of mission and power in the early 1960s. America alone had emerged from World War II stronger then before. It was by far the richest and most powerful nation, and it had played a brilliantly constructive leadership role in the immediate postwar years. Through the Marshall Plan it had made possible the speedy rebuilding of Europe. President Truman's tentative Point Four proposal had evolved into a massive program of foreign aid for the fledgling nations of the Third World.

By combining Western strength in NATO, America had halted the westward expansion of Soviet power. By fighting the Korean War, it had checked Soviet and Chinese adventures in the East. With the Truman Doctrine, America had committed itself to support free people resisting attempted subjugation by armed minorities or by outside pressure. President Kennedy announced in his inaugural address that the United States, to support friends and combat foes of liberty, would "fight any fight, pay any price, bear any burden, meet any handicap ..."

Those were yeasty days, when university faculties were left badly understrength as experts in everything from economics to dam building to chicken diseases flew madly around the world instructing the natives and indulging in what the sociologists presumptuously called "nation building," without regard for the tensile strength of the straw or the friability of the clay available. Thus it was only natural for many Americans to form the impression that there was nothing America could not do — even to the point of interfering in the affairs of small nations to reshape their politics in its own democratic pattern.

There was a tendency to treat all local or regional quarrels in the context of the East-West struggle. America's leaders began to believe that U.S. interests were critically affected by almost any development in almost any part of the world — particularly if that development might be construed as threatening an advance of Communist influence.

It was easy for many Americans to interpret Vietnam intervention as just another chapter in the effort to check the spread of Communist power. Any suggestion that Hanoi and the Viet Cong might be something other than mere instruments of Moscow and Beijing was dismissed as reflecting a softheaded attitude toward the Communist menace.

Dwight D. Eisenhower had warned against falling dominoes, and the defense of the ersatz government of South Vietnam was declared vital to American interests — end of argument. The Kennedy administration committed itself to help save South Vietnam from Viet Cong and North Vietnamese domination. The Johnson administration turned a limited commitment into an all-out engagement of U.S. forces. The Nixon administration extended the war a further four years.

By the time John Kennedy was killed the United States had 17,500 men in Vietnam and the balloon was going up: by the time Lyndon Johnson retired there were 550,000. In the beginning Mr. Kennedy and his top advisers believed victory could be had merely by providing weapons, equipment and advice. Mr. Johnson, acting on the counsel of the same advisers, found that assumption a deception. So the United States began bombing the North. When that proved ineffective, it committed U.S. forces to combat roles.

The fashionable thesis was that since America had such a vast advantage in fire power, all it had to do to achieve its aims was find the most effective way of applying those assets. But as the war continued to produce disappointments the Johnson administration largely abandoned that thesis and painfully concluded that it could not be won.

Still, Washington was not willing to face the hard decision to withdraw; "national prestige" was too deeply engaged. It did no good to argue, as I incessantly did, that the world was not edified by the vision of the most powerful nation using highly sophisticated equipment to defoliate crops, kill thousands of Vietnamese and pound to pieces the primitive economy of a small, tragically poor country. Compared to David, Goliath would inevitably get a bad press.

Richard Nixon was far better positioned to execute the desperately needed extrication. He had not been responsible for the entanglement in Vietnam. America still had 550,000 men in the field and the threat to maintain and even supplement them was a potent bargaining counter. I am convinced that had Mr. Nixon promptly told Hanoi that he was prepared either to withdraw forces unilaterally as part of a settlement, or augment them and increase the intensity of the war, he could not only have secured the return of U.S. prisoners but an agreement for a cease-fire as well. Unhappily, neither he nor Henry Kissinger seemed to have learned from the preceding years. They continued to believe that Hanoi could be shocked into submission if air power were used with increased ferocity.

For 20 months Mr. Kissinger failed to play the one bargaining card that had meaning to the North Vietnamese — the offer to withdraw U.S. troops unilaterally. By then it was too late; Mr. Nixon had already announced major troop withdrawals and signaled a phased withdrawal of all U.S. forces. Of course, that played into the hands of Hanoi. Only when U.S. troops had departed would they sign an agreement that assured easy wiping up of the South Vietnamese; they signed nothing at all until U.S. forces had been reduced to a mere 23,000 men.

The United States had suffered heavily not only from the degradation of its international reputation but from the loss of domestic cohesion under the Kennedy and Johnson administrations. It now suffered additional damage from four more years of fighting. Protracting the war cost the U.S. armed forces more than 20,000 additional deaths, while brutal use of air power, including B-52s, slaughtered at least 600,000 men, women and children throughout Vietnam to no purpose. At the same time, use of defoliants and an illegal invasion of Cambodia offended world opinion. America will continue to pay heavily for the Vietnamese experience.

Yet current leaders do not seem to have learned from that experience. We hear of a Reagan Doctrine promising that America will support any state or group fighting for freedom against Communist domination anywhere — a rhetorical declaration echoing the Truman Doctrine and the Kennedy inaugural address. Meanwhile the administration is still trying to dictate the political structures of small Central American countries. The administration still confuses regional and local quarrels with the East-West struggle.

If current leaders have learned little from America's most tragic Vietnam experience, the American people have heard and are heeding the message. They do not envisage their country as the world's gendarme or even its nanny. And if they are to support another major use of American forces in a remote part of the world, those in command will first have to show: that the conflict at issue is of more than marginal relevance to U.S. interests; that the regime America is seeking to support has deep roots in the countryside; that both the political and the physical terrain are not hopelessly inhospitable, and that limited objectives can be achieved without committing disproportionately large forces or outraging world opinion. As is so often the case, the people are wiser than their government.

Los Angeles Times.

Cambodia: A Country to Abuse and Toss Away

By Sydney Schanberg

NEW YORK — It is 10 years since Indochina fell to the Communists. In America the anniversary brings an outpouring of television reports, documentaries, articles and books. One disappointment for me in this wave of re-examination is that nearly all of it focuses on Vietnam, while Cambodia — the country that everyone used and tossed away — is still everyone's afterthought.

The "great" powers still talk about Cambodians as abstractions, not people. This apparently gives Washington, Moscow and Beijing the peace of mind to keep playing superpower games with these tormented people.

Consider this thumbnail sketch of the present situation for the Cambodians:

- The Russians support the Vietnamese, who have installed a client government in Phnom Penh, a rigid regime that is disliked but tolerated by the Cambodians because they can do nothing about it and because it is less insane and murderous than the Khmer Rouge — who were driven out by the Vietnamese invasion of 1979.
- The Chinese still support and arm the Khmer Rouge, whose barbaric acts and policies resulted in the deaths of two million or more of Cambodia's seven million people and who now exist as a guerrilla force of perhaps 40,000 troops in the jungle in Cambodia's northwest, along the border with Thailand.
- The United States supports two non-Communist factions that have "joined" in a so-called alliance with the Khmer Rouge to push the Vietnamese out — a goal they have no chance of achieving.

Meanwhile, 250,000 Cambodians live in limbo in camps along the Thai border. Very few have any hope of resettling abroad.

In short, the superpowers still care as little about the Cambodian people as they did in 1970 when they dragged them into the Indochina war and led them to the tragedy that is their lot now. If the powers cared, they would make Cambodia a priority — and that is the one thing Cambodia has never been.

Many things must be remembered if we are to resist the blandishments of the rewriters of history — usually ideologues of the right or left. Ideologues don't care about people either, only about preserving their dogmas.

Remember that the Khmer Rouge were a meaningless force when the war was brought to Cambodia in 1970 — a loose collection of guerrilla units numbering at most 5,000 men. They presented no threat to the government in Phnom Penh. In order to flourish and grow they needed a war to feed on. The superpowers — including the United States, with the Nixon incursion of 1970 and the massive bombing that followed — provided that war and that nurturing material.

Remember that those geopolitical wizards, Richard Nixon and Henry Kissinger (who now lead the pack in publishing revisionist history), cared so much about the Cambodian people that while they were providing $1 billion or more a year in bombing and other military aid they could find only a few million in their budget for refugee and relief aid.

Remember that during that war and right up to today, Washington has played footsie with the Chinese in an effort to thwart Soviet designs in Indochina. And that the Chinese have been the main support of the Khmer Rouge, whose barbarism Messrs. Nixon and Kissinger bemoan today while blaming Congress and the press and anti-war activists for the fate of Cambodia and conveniently forgetting their own support of the Chinese.

Remember, too, that the Reagan administration continues this folly by playing even more intimate footsie with the Chinese, without whose backing the Khmer Rouge would wither and die. The Reagan administration also provides aid for the refugees at the border, some of which goes to the Khmer Rouge.

And remember that, due to the machinations of superpower politics, the flag that flies outside the United Nations for Cambodia is the flag of the Khmer Rouge. The delegate who occupies the Cambodian seat is the Khmer Rouge delegate. The name for Cambodia at the United Nations is the Khmer Rouge name — Democratic Kampuchea.

We should remember all these things the next time some geopolitician makes a crocodile-tear speech about the Cambodian people.

The New York Times.

Keep the 'Contras' Paid And Maybe They'll Talk

By Flora Lewis

MIAMI — After squeezing another batch of 21 MX missiles out of Congress with the argument that the Geneva arms talks required them, President Reagan is offering talks between the Nicaraguan rebels and the Managua government in return for an extension of "covert" aid.

The tactic is surrealistic, but there is method in the madness. Real negotiations are going on between the administration and Congress, and they seem to turn on the principle that offering to sit at a bargaining table earns the right to chips of the administration's choice.

Never mind that in the Nicaraguan case Mr. Reagan is not even offering to resume U.S. talks with the Sandinist government; he proposes only that U.S.-backed "contras" would enter negotiations. And never mind that he asks for a piffling sum at this point. $14 million, promised to be used only for nonmilitary help unless Managua refuses to join the game.

The important trade-off is between the White House and Capitol Hill. The calculation seems to be that a call for talks, among other people, provides a sufficient excuse to do something that many in Congress consider of very dubious value, and puts the doubters in the embarrassing position of seeming intransigent.

The administration is perfectly aware that its Nicaragua policy is hitting shoals. It considered and rejected the idea of shifting from supposedly covert to declaredly open aid for an insurrectionary force whose leaders make clear that their goal is nothing short of overthrowing the Sandinist regime. The administration is channeling "private" funds to the rebels, to make up for the current gap in legally appropriated money.

Nobody pretends that $14 million is going to turn this U.S.-sponsored war around. Clearly the modest request is meant as a signal, a down payment on a U.S. commitment to keep the fighting going and a stake to get Congress firmly involved.

Just when Mr. Reagan is cheerily urging "humanitarian" aid to people he has called "freedom fighters," Guatemala has provided a most unpleasant definition of Washington's standards for acceptable government behavior in Central America.

Guatemala was recently officially rated as having made progress in human rights. But last week the body of a woman who was secretary of a Guatemalan group concerned with the "disappeared" was found at the bottom of a ravine, with the bodies of her brother and her young son.

It is very hard to find white hats in Central America. President José Napoleón Duarte of El Salvador seems to be developing that way, but primarily because he is beginning to convince the army that threw him out when he was first elected more than a decade ago that creating "disappearances" will *not* pacify the country.

The political progress that is beginning to show in El Salvador is in substantial part due to restraints by the U.S. Congress on military aid to that country, forcing recognition that sooner or later its civil war will have to be ended by conciliation. Arms will not bring a settlement.

In the same way, congressional refusal of efforts to sustain the war in Nicaragua is essential. The $14 million requested is not to advance a solution, or even to convince the Sandinists to hold new elections because they showed the bad grace of winning the ones they held last year. It is to keep the "contras" going.

This is creating a problem of responsibility that will lead to the argument that the United States has to get more and more deeply involved or lose credibility. The "contras" exist on the tacit assumption that they can count on continued U.S. help. No doubt men who have risked their lives would feel great bitterness at being abandoned after so many secret promises. That is understandable. Mr. Reagan's request is an attempt to reassure them, to show that Congress can be induced to keep paying if the White House talks about talks. So the point is not $14 million, but prolonging the agony in the pretense that it's cheap. It won't even buy talks.

The New York Times.

Is Solidarity With Solidarity Finished?

By Carol Rae Hansen

WASHINGTON — One of the best kept secrets since martial law was declared in Poland is the abysmal treatment of Solidarity refugees by the United States.

The U.S. Immigration and Naturalization Service has denied asylum to more than 7,000 Solidarity activists, even though the safety of many would be endangered if they returned to Poland. The INS thus defies President Reagan's public program of support for Poles fleeing martial law.

Ten days after the imposition of martial law Mr. Reagan imposed stiff sanctions on the Polish regime. He instructed the INS to tell its offices that Poles who reached the United States and "who are unwilling to return to Poland" would not be forced to leave. He asked NATO allies to impose sanctions and institute a similar "no return" policy.

These promises are being forgotten. Poles are battling the INS on three fronts: forced deportations, low approval rates for asylum and unjustified threats and harassment.

INS records reveal that it deported 31 Poles between 1981 and 1983 and harassed 1,116 more into leaving through four types of official "required departure" letters and threats of deportation proceedings. The service's estimates for 1984 reveal 200 to 400 more Poles "required to depart," for a total of 1,300 to 1,500 harassed into leaving or forcibly deported during the years in which President Reagan promised they could stay.

The INS hides deportations and departures induced by harassment under the cloak of "voluntary" departures, and thus argues that it is complying with Mr. Reagan's instructions. But most Poles who are "required to depart" contest INS demands for their departure.

Despite Mr. Reagan's repeated assertions that "we will show our solidarity with Solidarity," the service rejected 77 percent of Poles who applied for asylum between 1981 and 1984. By contrast, about 75 percent of Poles' applications for asylum were approved between 1948 and 1980. And Poles have reasons to fear denials, for they can be charged with numerous severe offenses, including treason, if they return home.

Asylum policy (which, by law, allows all applicants asylum if they prove a "well-founded fear of persecution") is deliberately confused with immigration policy by many who fear a flood of Haitians, Salvadorans and Nicaraguans. U.S. foreign policy suffers as a result. Credibility is eroded on East European issues, and the mixed signals sour NATO cooperation on Poland. The only gainers are Moscow and the Polish regime.

Senior foreign policy makers must rein in the INS. The rest should be easy. A "national security decision directive" has been drafted that addresses each major area of INS culpability and sets up a structure for reform. All it requires is Mr. Reagan's signature, but the INS has prevented that with vehement protests, vague promises of substantive reform and minor policy alterations.

Reform of Polish asylum problems should not be hard; no extra legislation is required, no extra cost would be incurred and the change could be virtually immediate. Reform need not take privileges away from other national groups. As with INS reforms for Afghans, Iranians and Southeast Asians, a healthy precedent would be set for the proper, humane processing of resistance fighters.

They deserve America's help.

The writer is a research associate at Georgetown University's Center for Strategic and International Studies. She contributed this to The New York Times.

LETTERS TO THE EDITOR

Horror Beyond Words

The March 27 editorial "U.S. Help for Cambodia" says: "The Khmer Rouge killed a million or two of their fellow citizens ... " As if a million lives were no more than buttons or paper clips. How glib can you get?

FELIX LANDAU.
Garches, France.

Europe Boosts the Dollar

Much current comment misapprehends the reasons for the dollar's relative strength. Reductions in the U.S. budget deficit, possibly leading to lower interest rates, will not reduce the dollar's value vis-à-vis West European currencies. The past year's lowered interest rates, coupled with an even stronger dollar, show this.

The real reason for the dollar's strength is that the United States has become the only remaining outpost of a relatively free-enterprise system. Its industry, relatively unfettered (by European standards) by the mammoth social costs that burden other economies, is the most innovative, vibrant and powerful in the world. So money flows from all over the globe to buy the dollars that allow investment in the American economy. This greater demand for the dollar increases its cost — a simple application of the law of supply and demand determining the price in the free market in which currencies are traded.

Assuming there is a problem because of the strength of the dollar, which is not at all certain, blaming the U.S. economy for it stands reason on its head. That is comparable to a teacher blaming the smart student for being brighter than his classmates.

Should the U.S. government feel compelled to act, it should direct its attention to its European trading partners and suggest that they desocialize their moribund economies. When businesses in Belgium are required to pay their government one franc for each franc paid in salary, it is small wonder that the Belgian economy does not attract the capital that the American economy does. When a combination of nationalization and all-powerful, politically motivated unions dominate to the extent that they do in Britain and France, efficiency and innovation collapse and the American economy attracts investment from those countries.

Until Europe's economies return to the relatively laissez-faire atmosphere of the United States, the dollar, because of the strength of the U.S. economy, will remain strong.

If the strength of the dollar is seen as a problem, Europe's failure to return to capitalism could lead to government intervention in America that moved the U.S. economy further from capitalism. This would lead America toward the mediocrity and stagnation of Europe.

SAMUEL K. ROSEN.
New York.

On 'Racial Continuity'

Miles Copeland *(Letters, March 25)* objects to Abba Eban's statement that Israel is the "oldest of nations," arguing that there is no racial continuity between today's Jews and those of biblical times. Mr. Copeland's opinion can be neither confirmed nor rejected, however, without usable statistical data on the genetic makeup of the Jewish population in Israel in those times, and such data seem unlikely to be forthcoming. In any case, "racial continuity," whether viewed as relevant or not, is an unhelpful concept because it can be defined in so many different manners.

Historically this did not prevent the Nazi theoreticians from applying a concept of genetic continuity in their definition of who was a Jew. In the early 1940s the Karaites, an ancient quasi-Jewish sect, did not qualify for genocide because of blood differences between them and the majority European Jewish population.

One purpose of the United Nations in approving the refounding of Israel in 1948 was to provide a homeland for people who had been included in the "racial continuity" conceived by the Nazis — individuals whose national governments had been unable or unwilling to protect them in the 1930s and '40s. Thus it seems that the usage to which Mr. Copeland objects, although genetically uncertain, accurately reflects the perceptions and political intentions of the postwar world.

JOHN M. SAUL.
Ville d'Avray, France.

Packing the U.S. Bench

Your report "Reagan Recasting the Federal Judiciary" *(March 26)* is worse than alarming. The way to a one-party state. American style?

JAN STEPAN.
Lausanne.

Reuters-United Press International

ACTOR IS ARRESTED — David Soul, a star of the television police series, "Starsky and Hutch," was searched by a policeman on Sunday after his arrest at the Shadyside Presbyterian Church in Pittsburgh. Three others were also arrested. They were trying to disrupt a service at the church, which is attended by many steel company executives, because they hold the executives responsible for unemployment in the industry.

U.S. Military Chiefs Oppose Reforms of Commands

By Bill Keller
New York Times Service

WASHINGTON — The nation's senior military leaders have closed ranks in opposition to proposals that would dramatically reorganize the U.S. military establishment.

The leaders, Defense Secretary Caspar W. Weinberger, the secretaries of the army, navy and air force and the five members of the Joint Chiefs of Staff, rejected assertions that the command structure is paralyzed by rivalries among the services, leading to wasteful spending and poor combat readiness. They made their positions known in letters to the Senate and House Armed Services committees.

But a somewhat different viewpoint emerged from letters written by the nine operational commanders of combat forces. Some said their authority over buying weapons and supplies, training troops and preparing battle plans had been inhibited by the power of the individual services.

General Wallace H. Nutting, commander of the U.S. Readiness Command, in charge of troops and aircraft based in the United States, wrote, "The system as it is presently constituted depends inordinately on cooperation and good will in order to function."

The dispute over organization is part of a broader debate over whether the $300-billion annual military budget buys all the security it should.

The letters, which have not been made public, were made available by a person outside Congress. The Senate Armed Services Committee requested them in preparation for hearings later this year on proposals to streamline the military command. Copies were sent to the House panel.

The U.S. military system has been faulted in a succession of studies by groups like the Georgetown University Center for Strategic and International Studies and by retired military officials, such as General David C. Jones, former chairman of the Joint Chiefs.

Critics have said the lack of strong central discipline in the Pentagon has allowed service fiefs to flourish, leading to duplication of weapons, neglect of unglamorous needs such as ammunition and poor training for joint operations.

They have recommended strengthening the authority of the chairman of the Joint Chiefs by making him the principal military adviser to the president and giving operational commanders power to override the separate services.

In defending the system, some top military leaders warned that tampering with it would diminish civilian control over the armed forces. They generally said any problems could be solved without major institutional changes.

General John W. Vessey Jr., chairman of the Joint Chiefs, said that the services had worked well together in recent years and that they had no trouble setting aside service loyalties to hammer out budgets and strategy.

The Joint Chiefs "are also fallible human beings and as such may not always produce the 'best' advice," General Vessey wrote, "but when they don't, it is not a question of procedures — it is a question of their wisdom."

The strongest criticism of the current system was from several of the operational commanders. Although they would actually direct the fighting of a war, they said, they have historically had far less influence in the Pentagon than the individual services.

But not all the operational commanders found flaws in the system. Admiral Wesley L. McDonald of the Atlantic Command cited the invasion of Grenada as proof that the services could cooperate.

Some critics inside and outside the Pentagon have pointed to the invasion as an example of sloppy coordination among the army, navy, air force and marine units involved. But Admiral McDonald said it was "an excellent example of sufficient unification."

The operational commanders agreed that their influence had increased under the Reagan administration. For example, beginning this year they sent their list of budget priorities directly to the secretary of defense and the Joint Chiefs, in addition to making their pleas through the separate services.

General Bernard W. Rogers, commander of allied forces in Europe, said, "These changes notwithstanding, there remains in Washington a pre-eminence of service goals in the program and budget process."

As in the past, the most vociferous opposition to change came from the navy, traditionally the most independent of the services and the most resistant to centralizing power.

"The overall organization of the Department of Defense is sound," said Navy Secretary John F. Lehman Jr. He said the main organizational problem was not rivalry among the services but too much bureaucracy at the top.

Teacher Is Killed In New Caledonia

Reuters

NOUMEA, New Caledonia — A schoolteacher was killed Monday and three persons were injured when separatist Kanak youths hurled stones at vehicles driven by white settlers, police said.

They said Simone Heurto, 47, died shortly after losing control of her car when it was hit by stones and crashed off the road. Three others were injured and a dozen cars badly damaged in other incidents near the east coast village of Houaïlu, police said.

Officials said 400 police and three helicopters had been rushed to the area to seek out the youths and attempt to restore security on the roads.

Moynihan Says Family Disintegration Now Pervades U.S. Society

By David E. Rosenbaum
New York Times Service

WASHINGTON — Twenty years after he wrote a highly controversial report on black families, Senator Daniel Patrick Moynihan, a Democrat of New York, is renewing the call he made in 1965 for a "national family policy" to preserve the family structure.

Now, however, the senator carefully avoided identifying the problems of single-parent families, illegitimacy, and poverty among children as largely black phenomena. Those problems have so intensified in the last 20 years, he asserted, that they pervade all of society and should no longer be addressed in terms of race.

Mr. Moynihan outlined his thoughts in three lectures starting Monday night at Harvard University under a lectureship established in 1903 by friends of E.L. Godkin, founder of The Nation magazine.

In an advance copy he provided, the senator made no mention of the fact that in 1965, as an assistant secretary of labor, he created a furor by writing in a report to President Lyndon B. Johnson that the breakdown in black families was a principal cause of poverty among black Americans.

That report, entitled "The Negro Family: The Case for National Action," was written at a time of rioting in many black urban neighborhoods and led to criticism, mostly from blacks, that Senator Moynihan was racist and guilty of blaming the victims for their distress.

Senator Moynihan said last week that he stood by what he wrote in 1965 but that "maybe, on balance, it was something better not said in the context of the times."

He said he was not dwelling on the problems of blacks in his lectures because "I want to make clear this is not a black issue," adding: "It's obviously worse there, but if you don't think it's bad in general, you're not going to get any response."

Most of all, the senator declared: "I don't want to be accused of saying, 'I told you so.'"

The startling increase in the proportion of children living in families headed by women has led to a situation, he projected, in which one-third of all children born in 1980 will be dependent on welfare at some time.

He noted that the problem is much worse among blacks. From 1960 to 1982 the proportion of black children under 3 years old not living with both parents rose to 60 percent from 30 percent while the proportion of white children also doubled, but only to 15 percent from 7 percent. Nonetheless, he takes the view that the trend is an ominous one for all races.

Senator Moynihan left the government after the controversy over his report on black families. He taught for several years at Harvard, and then joined the Nixon administration as an urban affairs specialist. In that position, in 1970, he wrote another controversial memorandum, this one urging the government to take a position of "benign neglect" in its racial policies.

Senator Moynihan maintained then, as he does now, that he was saying that the Nixon administration should tone down its oratory about blacks.

He said taxes and welfare have worked to the disadvantage of poor families.

In 1948, the tax laws allowed a personal exemption of $600 for each family member. Today, the personal exemption is slightly above $1,000. But if the exemption had risen since 1948 at the same rate as inflation and family incomes, it would be about $5,600 today. A result is that in 1948 families earning 10 percent above the poverty line were exempt from income taxes while today families well below the poverty line are taxed.

In the case of welfare, he notes that while government benefits to the elderly rise automatically at the same rate as inflation, payments under Aid to Families With Dependent Children, the main U.S. welfare program, have declined by more than 60 percent since 1969. "The consequence," he said "is that indigence all but disappeared among the aged, while it significantly increased among the young."

He suggested that the personal tax exemption and welfare payments be increased along with the rates of inflation.

Beyond that, he relied solely on the recommendation he made in 1965, that the government declare "it is the policy of the American government to promote the stability and well-being of the American family; that the social programs of the federal government will be formulated and administered with this object in mind."

The trend toward family disintegration is now so pronounced, Senator Moynihan declared, that it should provide "common ground" for concern among liberals and conservatives.

Whites in the South Are Still Resisting Integration, Blacks Say

Although Racial Violence Is Rarer, Cities Are Preserving Institutions That Hinder Minorities

By William E. Schmidt
New York Times Service

GREENSBORO, North Carolina — Like Birmingham, Montgomery, and Selma, Alabama, those other shrines of the civil rights movement, Greensboro marked an important turning point for blacks in the South. Here, 25 years ago, four young black men sat down at a whites-only lunch counter and refused to leave.

The sit-in was the first in the South, and it inspired similar challenges across the region. These actions, over time, helped break the back of the segregation laws that were then the first line of white resistance to progress by blacks in the South.

But while the force of federal law and the good faith of some officials have since helped many blacks move into society's mainstream, civil rights leaders in this city, like other places throughout the South, say that resistance among whites is still a reality.

On occasion, it can take violent expression, as it did in November 1979, when five Communist protesters here were shot to death in an exchange of gunfire with a group of heavily armed Ku Klux Klansmen and members of the American Nazi Party. They were twice acquitted of criminal charges, but a civil trial is now in progress on a suit filed by survivors.

But more typically, the resistance described by blacks is more subtle and institutionalized. They say it reflects the reluctance or indifference of whites to effect the sorts of changes — in voting systems, housing opportunities or hiring practices — necessary to achieve real progress for blacks. Blacks continue to lag far behind whites in all economic indicators, such as income levels and employment rates.

"White resistance in the South today seems to take two worrisome forms," said Steve Suitts, the executive director of the Southern Regional Council, a private, nonprofit organization in Atlanta that studies race relations in the South.

"There is the resistance of random violence, which occurs at levels comparable to that of 20 years ago," he said. "And there is the resistance of indifference.

"Many whites in the South today tend to believe that blacks now have opportunities equal to those of whites," Mr. Suitts said. "They do not feel any responsibility for the sins of the past. And so they refuse to take an active or sympathetic role in seeking further change in the region."

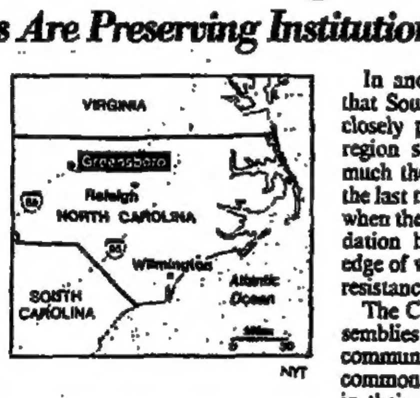
Even political changes often come only after long battle. Recently, for example, a group of blacks in Greensboro used the threat of federal lawsuits to help push both the city and the surrounding county of Guilford into scrapping their at-large voting systems in favor of district voting. They argued that at-large systems are, by definition, racially discriminatory, because they dilute black voting strength by favoring the white majority.

"A lot has changed in this city in 20 years, and blacks are a lot better off for it," said Earl Jones, one of two black city councilman elected in 1983 as a result of the new district system in the Greensboro, whose population of 180,000 is one-third black. "But that doesn't mean that white resistance has gone away. In many ways, it has just become more subtle, more institutionalized. It's just harder to see, but it's there."

Many white residents in the South disagree with the notion that whites overtly resist black progress. In Guilford County, for example, officials say they abandoned at-large voting specifically because they came to agree with complaints by blacks who filed a lawsuit arguing that the old system was discriminatory.

"In the past, I think people would argue that the system was not biased, that blacks did not win because they did not run," said William B. Trevorrow, the county attorney. "But once it became an issue, we stepped back and took another look at it. And we were willing to change."

In that sense, some analysts say attitudes in the South have come to reflect those in the nation as a whole. "I think one problem in the South, like the rest of the country,



NYT

is that whites have bought the argument of reverse discrimination, that blacks have gotten more than they deserve," said William H. Chafe, a professor of history at Duke University in Durham and a longtime student of race relations in Greensboro.

"This reflects a larger political environment that sanctions implicit racism and sometimes explicit racism," Mr. Chafe said.

That environment, he said, was defined, in part, by the Reagan administration's neoconservative emphasis on the individual and its arguments against programs designed to place more members of minority groups in jobs. Such affirmative action is wrong, the administration argues, because it tends to favor one group at the expense of another.

If anything, these arguments may have even more weight in the South, where, among white voters, Mr. Reagan found his largest block of support last November. About 71 percent of Southern whites voted for the president.

In another sense, the very fact that Southern attitudes now more closely parallel those outside the region serves to underscore how much the South has changed over the last two decades, from the days when the force of terror and intimidation helped define the cutting edge of what was then called white resistance in the South.

The Citizens Councils, those assemblies of white merchants and community leaders who formed a common front against integration in their communities, have disappeared. Segregation laws, which were enforced with a ruthless determination by the local police and sheriffs, long ago dissolved under the force of federal legislation.

And while incidents of racial violence and intimidation — random cross burnings, firebombings, beatings — still occur, the Klan itself no longer commands the following nor generates the fear it did in the past.

In many communities, local merchants cringe at Klan marches, fearing they will drive away black business on which they rely. Meanwhile, the Klan has found itself under increasing pressure as the result of both criminal indictments by the federal government and civil lawsuits pressed by private organizations like the Southern Poverty Law Center in Montgomery, which has won court injunctions enjoining the Klan from harassing blacks in North Carolina.

But Mr. Suitts and others note that economic differences between whites and blacks are more sharply drawn in the South than in the rest of the nation.

According to an examination of data from the federal Equal Employment Opportunity Commission, nearly 66 percent of the black work force in 11 Southern states hold jobs in the lowest three categories: service workers, like maids, cooks and waiters; unskilled general laborers, and semi-skilled operators, such as chauffeurs, delivery people and dressmakers. This compares with just 32 percent of the white work force in such jobs in those states.

In contrast, 51 percent of blacks outside the South are in these job categories.

And 59 percent of black families in the South have annual incomes below $15,000 compared with 31 percent of white families.

Despite the force of law and moral authority, examples of overt discrimination still can be found in the region, more often in smaller communities that escaped the turmoil of the 1960s.

In Elizabeth City, North Carolina, for example, the local country club recently withdrew an offer to allow the high school golf team to practice on its course after discovering that the squad included a black player. Officials of the club said that race had nothing to do with their decision, noting that the course had become too crowded.

In Butts County, Georgia, local officials only recently tore down a chain-link fence that separated the black portion of the county cemetery from the white portion. Until the fence was taken down, black funeral processions had entered the cemetery through a back gate.

Resignation Shakes Up French TV News

By Michael Dobbs
Washington Post Service

PARIS — The surprise resignation of France's star television news anchorwoman has stirred suspicions here that the Socialist government is attempting to reassert controls over the electronic media before crucial elections next year.

The announcement that Christine Ockrent, 41, was stepping down as anchorwoman for the country's most widely watched television news program was greeted last week with the fevered speculation usually reserved for major government shake-ups.

In a country where television has traditionally been regarded as the voice of the government in power, Miss Ockrent had become a symbol of a more detached and professional attitude toward the news. In the past 3½ years, her evening news program on Antenne 2, France's second channel, has won top audience ratings over its principal rival, TF1, widely regarded as being closer to officialdom.

Miss Ockrent's winning smile and brisk, authoritative manner won her recognition when she became the first woman to anchor a prime-time television news show in France in 1981. Baptized "Queen Christine" by the popular press, opinion polls consistently rated her as France's most popular television news personality.

"They wanted to prevent her from governing: Queen Christine preferred to abdicate," was how the rightist Le Figaro summed up her resignation. The independent leftist newspaper Libération said that her departure was a sign that President François Mitterrand's Socialist government was unhappy with the independence shown by Antenne 2's news team.

In public statements, Miss Ockrent attributed her resignation to "professional" differences of opinion with Antenne 2's newly appointed director-general, Jean-Claude Héberlé, over staff appointments. A former television journalist himself, Mr. Héberlé is believed to be close to the Socialist Party and made a sympathetic documentary about Mr. Mitterrand when he was an opposition leader.

"It is not possible for me to continue, since I no longer feel in tune with my superiors," Miss Ockrent said in an interview in which she went out of her way to praise Mr. Héberlé's predecessor, Pierre Desgraupes, who built a reputation for upholding journalistic independence and turned Antenne 2 into France's most respected network.

Political influence over the mass media is wielded in subtle ways in France — through personal connections rather than overt manipulation of information — and it is difficult to point to examples of outright interference in editorial decision-making.

But some French journalists claim that Mr. Héberlé is trying to bring Antenne 2 under tighter control by placing his own trusted men into key slots. They accuse him of seeking to bypass appointees of Mr. Desgraupes, such as Miss Ockrent and Albert Du Roy, the former head of the network's news department, who also resigned recently for "personal reasons."

Other recent resignations at Antenne 2 include that of Robert Chapatte, the sports editor, who took early retirement, and Jacques Ségui, presenter of the late-night news program.

Some observers see the "Ockrent affair" in terms of a clash between two strong-willed and ambitious personalities. Reacting last week to Miss Ockrent's resignation, Mr. Héberlé called allegations of political interference "unjust," saying that he had never tried to bring pressure on the news department. He initially threatened to sue Miss Ockrent for breach of contract but later backed down.

According to the investigative weekly, Le Canard Enchaîné, suspicions of Mr. Héberlé's leftist political connections surfaced at Antenne 2 in January after Mr. Mitterrand visited the troubled French Pacific territory of New Caledonia. The director-general was reported to have staged an angry scene after network editors decided to cut parts of Mr. Mitterrand's statement on returning home.

The turmoil at Antenne 2 contrasts with the mood of optimism following the Socialist victory in elections in May 1981, when the network took advantage of the government's decision to relax controls over the electronic media. The changes introduced in news presentation by Miss Ockrent, who had worked on the CBS program "60 Minutes," were hailed as the advent of an American style in French television.

"I tried to be a credible anchorwoman, bringing the treatment of the news closer to the facts and away from the caricature of French blah-blah," Miss Ockrent said. "We tried to develop a more rigorous approach to the news, giving it more punch and attractiveness."

Miss Ockrent likes to say that she has avoided the company of French politicians and that she has met Mr. Mitterrand only twice: once when she interviewed him for the nightly news and once at a breakfast attended by a dozen other journalists.

The Socialist government's claims that it has taken a more liberal attitude toward television than its conservative predecessors rest partly on its creation of the independent High Authority for the Audiovisual Media in 1982. The authority's standing was tarnished somewhat last year when it succumbed to government pressure and appointed Mr. Héberlé head of Antenne 2.

The New York Times
Christine Ockrent in her office in Paris.

Sudan to Stay Pro-West, New Ruler Assures U.S.

By Bernard Gwertzman
New York Times Service

WASHINGTON — The new military ruler of Sudan has met separately with the senior American, Egyptian and Saudi Arabian diplomats in Khartoum and reassured them that he will keep Sudan on a pro-Western course, State Department officials said.

On Sunday, his first day in office after overthrowing President Gaafar Nimeiri, General Abdul Rahman Swareddahab summoned David H. Shinn, the charge d'affaires of the U.S. Embassy in Khartoum, the Sudanese capital.

General Swareddahab "expressed interest in the maintenance of continued good relations with the United States and appreciation for the assistance the United States has provided the Sudan in recent years," said Thomas Krajeski, a State Department spokesman.

Usually, the United States does not divulge the substance of diplomatic discussions. The rapidity with which Mr. Shinn's conversation with General Swareddahab was made public underscored a U.S. effort to demonstrate public support for the new regime.

Mr. Shinn, in turn, assured General Swareddahab, the spokesman said, "that American food, refugee and other forms of assistance will continue."

The spokesman added, "Mr. Shinn welcomed the general's statement of interest in the maintenance of good relations and assured him that the United States government shares fully the desire for strong bilateral ties."

The Reagan administration, however, remains concerned about the ability of the Sudanese military to bring about the long list of changes it has promised. Among the problems mentioned by officials here are the sharp differences with dissidents in the south, the deterioration of the Sudanese economy and the continuing efforts by Libya and Ethiopia to cause trouble in the Sudan, which borders on both of them.

There has been intensive American discussion with Egypt and Saudi Arabia, which have been close to Sudan, officials said. They said General Swareddahab also met with the senior Egyptian and Saudi diplomats in Khartoum.

Sudan is the largest African recipient of U.S. aid after Egypt, but the more than $100 million in economic aid approved for the fiscal year 1985 has not been allocated yet because of the slow pace of economic changes by the former Nimeiri government.

General Nimeiri, who met with President Reagan last Monday, succeeded in getting the administration to free about $67 million that had not been disbursed in the 1984 fiscal year by taking the kind of austerity measures that precipitated riots that led to his downfall.

"I think you will find us going out of our way to be sympathetic and supportive of General Swareddahab," a senior U.S. official said Sunday. "We know he has a terrific problem everywhere he turns, and we don't want to cause him additional headaches."

A major concern for Egyptian and American officials, State Department officials said, is the possibility of increased military involvement by Ethiopia and Libya against Sudan in coming days. President Hosni Mubarak of Egypt told reporters Sunday, "Libya tried to show she is involved in Sudan."

Little is known of General Swareddahab other than that he is a career military officer.

The assumption in Washington is that the Sudanese military decided that the calls for General Nimeiri's removal were so universal in Sudan that it was important for the military to move before violence spread through the country.

One official said General Swareddahab might turn out to be only a transitional leader.

Nicaraguan Rebels, Lacking Supplies, Trim Back Their War

By Edward Cody
Washington Post Service

MANAGUA — Short of supplies and transport, anti-Sandinist rebel forces have recently reduced the scope and level of their three-year guerrilla war.

U.S. and rebel officials have attributed the reduction in rebel activity mainly to lack of funds, which apparently is catching up with the main guerrilla force nine months after Congress imposed a ban on financial aid from the Central Intelligence Agency.

Interior Minister Tomás Borge said the shift also reflects recent successes by the Popular Sandinist Army in driving rebel forces northward toward the border region with Honduras and, for many, across the border into camps within Honduras.

In a reflection of this, Defense Ministry reports have shown a clear drop in the number of incidents in recent weeks.

"This favors us, because the war is going away from the interior of the country and toward the border," Mr. Borge said, referring to the decline of rebel activity in the more populated and economically important central zone.

"But at the same time, it implies a certain risk, because a border war is always dangerous for the implications it might have for a neighboring country, in this case Honduras," he said. "We will try to be very careful not to give any pretext that could provoke an incident."

U.S. officials in Honduras have expressed similar fears that more regular rebel crossings of the border area could raise the risk of clashes between Honduran and Nicaraguan troops on the frontier.

At the same time, the increase in rebel troops on Honduran territory has intensified nervousness within the Honduran armed forces over that country's role in aiding the U.S.-backed insurgents.

The Honduran government protested sharply when 17 Nicaraguan soldiers drove across the border Tuesday in what Managua said was an accident. But an aide to Mr. Borge expressed confidence that the soldiers and their military trucks would be returned without major complications.

He estimated that 6,000 to 7,000 guerrillas from the main rebel group, the Nicaraguan Democratic Force, have gathered recently in camps in Honduras near the mountainous border with Nicaragua.

This is up sharply from the number late last year, when most of the rebels were reported inside Nicaragua ambushing Sandinist army and government vehicles and agricultural cooperatives.

U.S. and rebel officials have put the number inside Honduras at 5,000 to 6,000 from a total strength estimated by rebel officials at more than 12,000.

Miskito, Sumo and Rama Indian rebels in the Atlantic coastal region and Eden Pastora Gómez's independent anti-Sandinist guerrillas along the border with Costa Rica have another several thousand armed men. But they have been largely inactive for a number of months because of a lack of supplies, their leaders have acknowledged.

Rebel leaders have told visitors to their camps in Honduras that they have had trouble resupplying forces inside Nicaragua. But they attributed this to lack of consistent ammunition deliveries and adequate maintenance of aircraft used to make drops. This, they explained, was a result of money shortages.

Adolfo Calero Portocarrero, the chief Democratic Force political figure, said the organization has raised more than $5 million since the U.S. Congress cut off funds last spring.

But aides of the rebel military chief, Enrique Bermúdez, said they have been unable to continue supply drops at the same pace as when CIA funds and logistic help were available.

After barring further CIA aid a year ago, Congress voted last fall to make $14 million more available to finance rebel forces, but only on the condition that the funding be approved this spring in another vote.

President Ronald Reagan proposed Thursday that the $14 million be used only for humanitarian assistance should Nicaragua begin talks with the rebels. Managua rejected this approach, and Congress is to vote on the money this month.

Before the cutoff last spring, the CIA had provided rebel forces with a sum estimated by congressional sources at $80 million since 1981.

Paris Office, Restaurant Are Damaged by Bombs

Reuters

PARIS — Two blasts early Monday damaged the office of the state-owned coal board and a Jewish-owned restaurant, police said.

The first blast shattered the windows and entrance of the coal board office, but caused no injuries, police said. The second explosion caused slight damage to the Jewish-owned North African restaurant, Chez Bebert, off the Champs-Elysées. No one has claimed responsibility for the explosions, which occurred 24 hours after a blast severely damaged the Paris offices of the state electricity company.

Disease Level in the Soviet Military Is 'Flabbergasting,' U.S. Analyst Says

New York Times Service

WASHINGTON — The Soviet Union's military forces face medical problems that one Russian general has said could have the "greatest negative impact on the combat capability of the Soviet armed forces."

This assessment was included in a presentation last month by Murray Feshbach, professor of demography at Georgetown University, in which he contended that the Soviet military has medical problems of a "flabbergasting" magnitude. He drew the quotation on combat capability from an address by a General Chevyrev to a medical conference several years ago.

Mr. Feshbach, who presented his research at the Kennan Institute for Advanced Russian Studies, cited increases in such infectious diseases as typhoid, cholera, influenza and hepatitis in the military ranks. He concluded that, in one of numerous influenza outbreaks in 1982, as many as 30 percent of the troops of individual units could have been sick with the flu.

Among the medical problems are acute intestinal infections, sometimes of epidemic magnitude, he said.

Hepatitis, which is discussed in the Soviet literature as one of the "urgent problems of military medicine," appears to have increased threefold from 1968-1975 and 1975-1982 in large military units and up to tenfold in specific units. In a sampling of 203 military patients with hepatitis, one-third suffered from residual symptoms and many had to be rehospitalized.

Mr. Feshbach drew his information from the two journals, Voyenno-Meditsinskiy Zhurnal, or Military Medical Journal, and Tyl i Snabzheniye, or Rear and Supply. The Central Military Medical Directorate of the Soviet armed forces comes under the jurisdiction of the Rear Services.

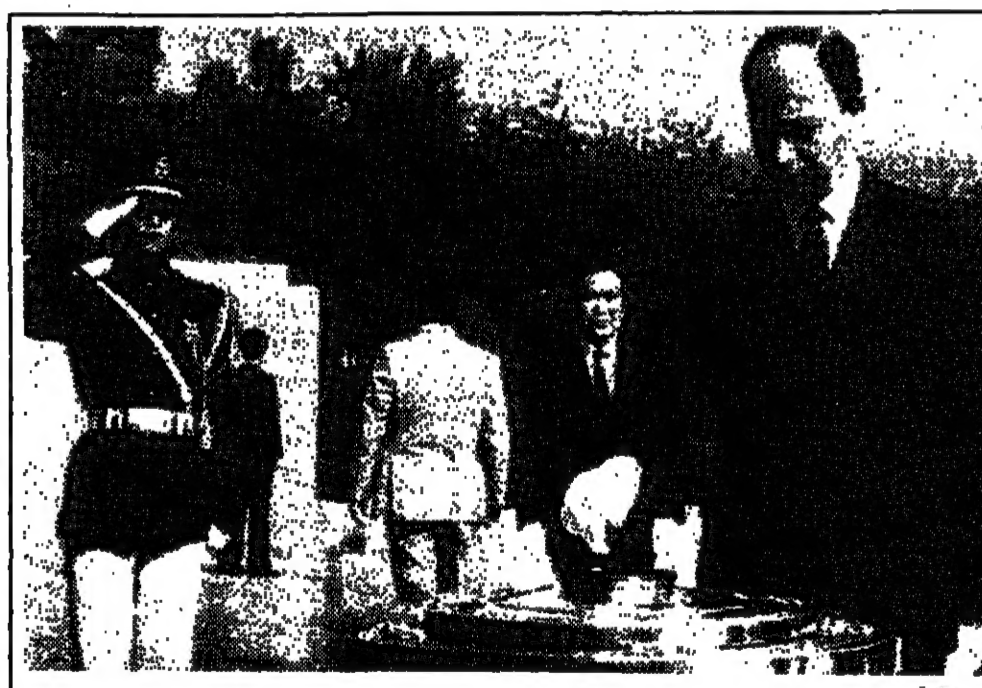
Noting that Soviet military doctors apparently misdiagnose illnesses frequently, Mr. Feshbach said the chances of complications and further transmission of disease were thus increased. This is especially the case for acute intestinal infections, he said, adding that diphtheria, a growing problem, also was being misdiagnosed.

A shortage of medical supplies poses difficulties as well, according to Mr. Feshbach, reportedly leading doctors to reuse some supplies, increasing the chances of transmitting disease.

Food storage conditions are said to reduce sanitary levels, with food that is contaminated by rodents reportedly being reprocessed instead of being destroyed.

According to Mr. Feshbach's findings, vaccine effectiveness is generally poor. Typhoid vaccine is effective at only a two-thirds rate. In one military unit with an outbreak of measles, it was found that only 88 percent of the youths, 18 to 20 years old, had been previously immunized. Some military officials have also recommended mandatory vaccinations for draftees.

To combat these problems, Soviet officials have been creating "extraordinary anti-epidemic commissions" in all military units and on all ships.



Reuters
STATE VISIT — Prime Minister Laurent Fabius of France burned incense Monday at the Monument of the Unknown Soldier at the start of a three-day visit to South Korea.

René Portocarrero, 73, Cuban Painter, Is Dead

Reuters

HAVANA — René Portocarrero, 73, considered Cuba's finest modern artist, died Saturday, the news agency Prensa Latina reported.

Mr. Portocarrero was best known for his abstract portraits of women in tropical settings of flowers, birds and trees. He did not travel outside Cuba until he was 40 although he later exhibited in the United States, Italy, Spain, France, Britain and most of the Communist world.

■ *Other Deaths:*

Bernard Childs, 74, a painter and printmaker who was a pioneer in the use of technology in art engraving and printing, of a heart attack March 27 in New York.

Arthur Negus, 82, an antiques expert who became a celebrity in Britain as a host of radio and television shows featuring collectors' prized items, Friday in Cheltenham in southwestern England.

Gene Bernard Davis, 64, an abstract painter prominent among the Washington Color School, Saturday after a heart attack in Washington.

Ben Novack, 78, founder of the Fountainebleau Hotel, a popular vacation spot for the rich during the 1950s, in Miami Beach, Florida.

Douglass Wallop, 65, the author of "The Year the Yankees Lost the Pennant," the novel on which the musical and movie, "Damn Yankees," was based, in Oxford, Maryland.

U.S. May Tax Frequent-Flyer Deals

Washington Post Service

WASHINGTON — The Internal Revenue Service is studying whether to tax as income the free tickets that members of airline frequent-flyer programs earn for piling up miles.

The programs, started by American Airlines to attract and hold high-volume business travelers, are operated by every major domestic carrier. American, Delta, Eastern and United, four of the nation's largest airlines, say they have more than six million members in their clubs. Many people join more than one airline's program.

An IRS spokesman, Ellen Murphy, said a decision has not been made on whether to draft a regulation. The IRS is interested because business travel is usually paid by companies, while the free-flight benefits accrue to the individual and thus appear, in most cases, to be personal income.

Frequent-flyer programs may be addressed in pending regulations on the taxation of employee fringe benefits, but that has not been decided, she said. The draft of the regulations does not mention frequent-flyer programs, she said.

IRS officials think that, technically, existing law requires that frequent-flyer bonuses be taxed. But without regulations on how to value the flights and who is responsible for reporting them, the IRS would find it hard to collect taxes.

A typical frequent-flyer program permits a member to upgrade his coach ticket to first class once he has flown 10,000 miles (16,000 kilometers) on the airline, offers a 25-percent discount on a round-trip ticket anywhere the airline flies after 20,000 miles, provides a 50-percent discount after 25,000 miles, and gives a free ticket after 30,000 miles and two tickets after 50,000 miles.

It costs nothing to sign up for any of the programs, and all airline officials interviewed agreed that many passengers on their rolls do not fly frequently.

Experts said bonuses to individuals are taxable because they are not excluded by law, as are such employer-paid benefits as health insurance premiums or pension contributions. The 1984 tax law cracked down on certain fringe benefits but did not mention frequent-flyer bonuses.

A Monthly Report for the International Investor

International Herald Tribune

Tuesday, April 9, 1985

PERSONAL INVESTING

INVESTOR'S Notebook

A U.K. Budget Bonus

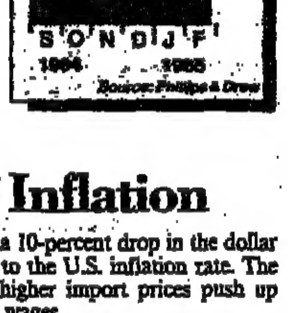
The British budget for the current year had welcome news for futures and options players. Effective last week, their profits will be treated for tax purposes as capital gains. Previously, profits were considered as income and taxed at rates as high as 60 percent.

The change means that futures and options will receive the same tax treatment given equities. Under current capital gains tax laws, profits are taxed at a 30-percent rate. The first £5,900 are exempt. In addition, losses can be written off against income.

Britain's financial community hailed the change, which also applies to onshore funds that trade in futures and options for hedging purposes. Mark Fox-Andrews, managing director of Drexel Burnham Lambert, said it will enhance liquidity in London's futures and options markets and help "make the City competitive with the rest of the world."

Going Dutch in Bonds

Yields on short-dated Dutch government bonds have surged in recent months, prompting some European investment advisers to suggest that their clients switch from West German government bonds of three- to five-year maturity into equivalent guilder issues. The yield gap between Nederland bonds of three- to five-year maturity and comparable West German government issues reached 120 basis points (hundredths of a percent) in late February before narrowing to between 30 and 35 points in recent weeks.



Analysts say the yield difference reflects the Dutch government's concern over weakness of the guilder against the Deutsche mark. Philip Howard of Phillips & Drew in London says The Hague is accepting the inconvenience of slightly higher yields relative to Bundesrepublic issues to hold the mark steady at about 1.13 guilders.

Despite the recent narrowing in the yield gap, Mr. Howard expects short-term Dutch bonds to remain attractive. He predicts that the yield on five-year Dutch government bonds could reach 8.25 percent by the end of the summer compared with 7.85 percent in late February.

New View of Inflation

Prevailing wisdom holds that a 10-percent drop in the dollar would add 2 percentage points to the U.S. inflation rate. The theory rests on the view that higher import prices push up domestic prices and, ultimately, wages.

But James E. Annable, an economist at First National Bank of Chicago, says this rule of thumb no longer applies. Worker concern about job security has broken the wage-price spiral of the 1970s, he argues.

Moreover, he contends that the link between the surging dollar and import prices is tenuous. The evidence: The dollar's trade-weighted value rose 65 percent in the last four years, but import prices fell less than 10 percent. Instead of bargain prices for consumers, Mr. Annable says, the dollar's rise has meant bigger profits for importers. Since importers did not pass along the benefits of an appreciating dollar, he doubts they will pass along the effects of depreciation, preferring instead to maintain their market share.

Playing the China Card

Japanese companies that export to China may no longer be the fad they once were on the Tokyo Stock Exchange, but they are far from out of fashion. A number of brokerage houses have quietly removed so-called "China stocks" from their preferred lists. The move reflects concern about Beijing's ability to pay for imports because of the recent drop in its foreign currency reserves.

Yet analysts still see promise in a handful of consumer-electronics companies and heavy-equipment manufacturers that are benefiting from China's modernization drive. "We think China is a major market theme and certain stocks will outperform the market in the next six to 12 months," says Hisamichi Sawa, director of research at Prudential-Bache in Tokyo.

Favorites mentioned by Mr. Sawa include Tsudakoma, which makes jet looms for textile manufacturing, and Sanyo Electric. Daiwa Securities recommends Kumagai Gumi, a construction firm, and two truck manufacturers, Nissan and Isuzu.

A Surge of Interest in Offshore Funds

A view of Hong Kong and the harbor.

Last Year's Top Performers

The top ten offshore funds in 1984 on the basis of total return in U.S. dollar terms. The figures assume reinvestment of income regardless of the fund's stated objectives. Compiled by Lipper Analytical Services from data on 446 funds.

	Category	Total Return
Schroder Hong Kong Fund	Equities	40.95%
Henderson Baring Hong Kong Fund	Equities	38.13%
Old Court Hong Kong Fund	Equities	36.33%
Mint Ltd.	Futures, options	31.34%
Espac	Equities	30.51%
Korea International Trust	Equities	27.67%
Schroder Asian Fund	Equities	26.74%
FuturGAM	Futures, options	20.92%
Noram Secured Income	Real Estate, mortgages	16.75%
GAM Arbitrage	Equities	16.68%

Hong Kong funds ride the rebound. But will it last?

By Dinah Lee

AS STOCK markets go, Hong Kong's volatility is legend, its thinness a chronic annoyance. Yet despite this harsh environment, offshore funds in the colony profited handsomely last year and further gains are expected.

On average, funds specializing in Hong Kong equities generated a return of 38.5 percent in 1984, compared with less than 2 percent in 1983. Major funds like Schroder, Henderson Baring and Old Court headed the list of top offshore fund performers in 1984, according to Lipper Analytical Services.

Moreover, broad-based Asian funds, which invest in a variety of markets, including those in Hong Kong, Japan, Singapore and South Korea, owe much of their success last year to the colony.

The success of Hong Kong funds has more to do with market fundamentals than shrewd strategies. Even fund managers acknowledge that they are more vulnerable to market sentiment in Hong Kong than in more established stock markets. The exchange only lists about 150 companies, and there is little room for defensive maneuvering if the market turns bearish. "The Hong Kong market is a one-way market," noted Oscar Wong, director of GT South China Fund. "It's very difficult to perform in a different direction from the market."

Indeed, on closer examination the performance of Hong Kong funds closely tracked the Hang Seng index. None significantly outperformed or underperformed the market. Moreover, no matter what the underlying strategy used by managers, funds had surprisingly similar performances.

In many ways, the political uncertainty that surrounded Hong Kong last year laid the groundwork for the funds' remarkable success. As concern about the colony's future went from worry to near panic last summer, the Hang Seng index slumped to a low of 746 in July. But when the British and Chinese sorted out the colony's future, guaranteeing its unique status when China assumes sovereignty in 1997, the market rebounded. The index broke through the psychological 1,100 barrier in December.

Although many of the Hong Kong funds got cold feet during those difficult months and went comparatively liquid, they were able to jump into the market quickly as it turned around. Edward Kong, assistant director of Schroder's Asia Ltd., said managers of the company's Asian fund were 90 percent invested in Hong Kong equities when the market was at its low. The fund generated a return of almost 27 percent last year.

Despite the already substantial rise in the market, fund managers expect to put in another good performance this year. Now that Hong Kong's autonomous capitalist life has been relatively assured, confidence is returning. The colony still boasts sound economic fundamentals, and there are signs of a recovery in the banking and property sectors, which account for 50 percent of the stock market index. Analysts predict the Hang Seng index could reach 1,800 by the end of this year.

Jonathan Compton, director of the Henderson Baring Fund, thinks the market's recent success is only the beginning of a prolonged rally. He says the importance of Hong Kong's role in China's modernization, the rapid growth of the local money supply and the favorable outlook for corporate profits means that "this market is going to blow."

The $25-million fund, Mr. Compton says, tends to be underweighted in utilities but otherwise strong on low-risk blue-chip companies and banks, including a fair number of China-related stocks.

Mr. Wong of the GT South China Fund is more cautious about the market's prospects and expects continued volatility. Although he acknowledges that he lost some ground to his competitors when he went relatively liquid before the end of last year's rebound, his South China fund is still only 83 percent invested, low compared with others. The fund offers a mixture of blue-chip companies, entertainment companies like Shaw Brothers and industrials like Hong Kong Aircraft Engineering Co.

Investors who want to protect themselves from the slippery downside risk in Hong Kong should consider some of the broad Asian funds that have significant exposure to Hong Kong. These include GT's Asian Hong Kong Growth fund and Asia fund, the Wardley Nikko Asia Trust, the Jardine Fleming Eastern Trust and the Indosuez Asian Growth Fund.

Although Henderson Baring's Mr. Compton believes that single-country funds take fuller advantage of bull markets like the one forecast for Hong Kong this year, Asian fund managers have been so

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Rising markets and new products draw tax-shy investors.

By William McBride

WHEN Jack Tomlinson neared retirement in 1980 after 23 years with the Customs Cooperation Council in Brussels, the British finance director began looking for ways to invest the lump sum he would receive on leaving the international agency.

Concerned about security, his first thought was British government bonds, called gilts. "I saw an advert for a gilt fund and wrote to them," he recalled. Surprisingly, the fund suggested that he take his money elsewhere.

The reasons came down to taxes. The gilt fund was an authorized unit trust operating under British law. As such, Mr. Tomlinson's investment would be subject to a range of taxes that he could avoid by placing his foreign earnings in an offshore fund.

Mr. Tomlinson, who has since returned to Britain and maintains a portfolio of offshore fund shares, is only one example of a broad range of investors who have discovered the attractions of these investments. Globe-trotting executives of multinational corporations or independent professionals commanding high fees for consulting jobs outside their own country have also turned to the funds. In another category are wealthy individuals in high-tax or politically unstable countries who want to park their funds out of reach of the authorities.

The revival of world stock markets, continued currency volatility and the easing of foreign-exchange controls have proved a boon to the offshore fund business. While industrywide figures are hard to come by, Fidelity Management, one of biggest fund operations, said the total assets of its offshore funds has grown from about $210 million at the end of 1979 to about $750 million currently. During that period, Fidelity introduced three funds. Lipper Analytical Services, which monitors the fund industry, says assets of the 466 offshore funds it tracks totaled $18.7 billion at the end of 1984.

Offshore funds are the international cousins of U.S. mutual funds and British unit trusts. While organized along similar lines and by many of the same U.S. and British investment companies, the offshore funds are legally based in such low-tax areas as the Channel Islands, Bermuda, the Cayman Islands, Hong Kong and Luxembourg. Most offshore fund shares are denominated in U.S. dollars.

Fund industry officials say in recent years the flow of money into offshore funds has been particularly strong from such Far East countries as Indonesia, Malaysia and Hong Kong. Much expatriate money still comes from the Middle East, while the money invested from continental Europe flows mostly from retirement areas and from accounts in Switzerland.

For the expatriate of any nationality, an offshore fund can eliminate a lot of headaches. "For the bulk of expats, one of the major problems is that they are moving around," notes Adrian Collins, managing director of Gartmore Investment Management. By accumulating capital in an offshore fund, the expatriate who is reassigned from country to country every few years avoids local tax on unearned income or on capital gains. His funds are

(Continued on Page 8)

THE BOURSES

Talk of Takeovers Stirs U.K. Oil Sector

United Press International

An oil rig in the North Sea off the Shetland Islands.

By John Meehan

THE TAKEOVER fever that swept through London equity markets last year may soon descend on Britain's North Sea oil fields.

The somber outlook for crude oil prices, coupled with doubts about the potential for new discoveries in the North Sea, has so depressed the prices of small exploration stocks that several are prime targets for predators, according to analysts.

Moreover, many of these companies are entitled to huge exploration tax credits that can be written off against Britain's petroleum revenue and corporate earnings taxes. Many analysts believe that the desire for tax efficiency will persuade bigger oil-producing companies to overlook the spotty earnings performance and poor prospects of many of the small exploration companies.

Adding up assets and the potential value of exploration tax credits, Paul Gregory, an oil analyst with Wood, Mackenzie & Co. in Edinburgh, estimates that the exploration sector is trading at a 6-percent discount on equity markets compared with a 53-percent premium a year ago. "At these values, it's getting cheaper to buy oil and gas on the stock market than go out looking for it," he said.

There is no suggestion that the potential merger activity this year will come close to the magnitude of the recent takeover battles in the United States. Some analysts even think the chance of an average investor making money in the sector is slim. "It's a very, very high risk-reward situation," one analyst said. "When you start looking at tax situations and asset values, it's difficult to figure out who is a target and who isn't."

Nevertheless, the current takeover talk, analysts say, could herald a long-anticipated consolidation among North Sea exploration companies and bid up share prices in a sector that has performed poorly since last September.

Few analysts see these companies proceeding as independents. Many that fall into the target category were born during the North Sea oil rush in the 1970s. Now, with the Claymore and Forties fields staked out and oil prices hovering around $28.50 a barrel, oil specialists do not expect significant additional discoveries. Some companies, observers say, are actually eager to merge with larger concerns to broaden their horizons.

"This could be the year of the big shakeout," said Jeremy Elden, who tracks oil stocks at Phillips & Drew.

There is no lack of predators. Most major British oil companies are heavily weighted toward production rather than exploration in the North Sea and would be eager to reduce their tax liability. Enterprise Oil, one of the biggest and most profitable independents, is thought to be seeking acquisitions. It has more than £100 million ($120 million) on hand in cash and short-term investments, analysts say.

So far merger speculation in the oil sector has focused on a handful of medium-sized companies. Tricentrol, which recently reported a 25-percent jump in earnings for 1984, is seen as the most vulnerable to predators. The company reported late last month that someone had built up a 4.7-percent stake in its shares. Buyers do not have to

(Continued on Page 9)

FUNDS

Growth-Stock Funds Shone in First Quarter

First-Quarter Mutual Fund Performance*

Best and weakest performers among mutual funds based on change in net asset value, including dividends, in the first quarter of 1985.*

Name of Fund	Investment Strategy	Percent Change
BEST PERFORMERS		
First Investors Natural Resources	Natural Resources	+39.53
Fidelity O.T.C.	Small-company growth	+32.21
Sherman Dean	Capital appreciation	+31.76
Steinroe Discovery	Small-company growth	+24.26
Fidelity Select Leisure	Specialty industry	+24.10
Fidelity Select Health	Specialty industry	+22.92
Babson Enterprise	Small-company growth	+21.80
First Investors Discovery	Small-company growth	+21.59
First Investors International	Global	+20.16
Financial Portfolio Gold	Gold	+19.04
WEAKEST PERFORMERS		
AARP General Bond	Fixed-income	-1.54
Nicholson Growth	Capital appreciation	-1.53
G.E. Long-Term Interest	Fixed-income	-1.41
Newport Far East	International	-1.20
AARP GNMA	Fixed-income	-0.95
Steadman Oceanographic	Growth	-0.68
Maxim Bond	Fixed Income	-0.52
GT Pacific Fund	International	+0.39
Calvert Income	Fixed-income	+0.40
Merrill Lynch Federal	Fixed-income	+0.50

*Out of 773 funds, exclusive of money market funds, municipal bond funds and short-term Government securities.

Source: Lipper Analytical Services

By Fred R. Bleakley

THANKS to a January surge in the stock market, the average equity mutual fund in the United States gained 8.93 percent in the first quarter. That was almost as much as these funds have gained during the entire year, on average, in each of the last 15 years, according to Michael Lipper, president of Lipper Analytical Services, which compiled the quarterly performance statistics.

For the seventh consecutive quarter, however, equity mutual funds fared more poorly, on average, than the Standard & Poor's 500 index, which was up 9.21 percent, with dividends reinvested. The 456 general equity mutual funds, on average, however, exceeded the Dow Jones industrial average, which gained 5.78 percent.

Mr. Lipper said that after six consecutive quarters of poor performance, mutual funds specializing in small-company growth stocks broke into the top 10 rankings in a big way. Also putting in strong performances were several funds that struck it rich in late March when their investments in gold shares shot up.

The top performing fund out of the 773 tracked by Lipper Analytical Services was First Investors Natural Resources, an $11-million portfolio that gained nearly 40 percent, thanks to a heavy concentration in gold shares and energy issues, which also rebounded in the quarter. In the fourth quarter of last year, the fund had scraped the bottom of the rankings list with a 24.6-percent decline.

Another turnaround was the Sherman Dean Fund, which jumped from third-worst at the end of last year to third-best for the first quarter of this year. It is a capital-appreciation fund, which means that it can trade actively and use options as well as stocks in its portfolio.

Investments in gold shares also pay off

The volatile state of the bond market in the first quarter made losers out of a number of fixed-income funds, despite the interest they earned from their investments. Six of the 10 worst performing funds were fixed-income. Although bond prices, measured from the beginning to the end of the quarter, were relatively flat, there were sharp swings during the interim.

One of the fixed-income funds that suffered the most was the General Electric Long-Term Interest Fund, with more than $200 million in assets held for GE employees. It had led the list of top performing funds in the fourth quarter of last year, but sank to third-worst performing over the last three months.

Several mutual fund groups scored well in the first quarter. First Investors Group and Fidelity Management & Research Corp. each had three funds listed among the top 10 performers. The Fidelity OTC Fund, in fact, had been the leader for most of the quarter. But it was bumped into second place by the First Investors Natural Resources Fund when gold shares soared at the end of March, at a time when the closing of scores of Ohio thrift institutions shook world financial markets.

"Most gold funds were flat to down 5 percent at mid-March," said Peter Lynch, senior vice president of Fidelity Management & Research, with a tinge of regret that his firm's OTC Fund was knocked out of first place. "By the end of the quarter, they were up 15-20 percent."

The $25-million OTC Fund scored well, Mr. Lynch said, because it was heavily invested in over-the-counter growth stocks that were not technologically oriented. Technology stocks were one of the sectors that did not come back strongly in the quarter.

Two sectors that did perform well were leisure stocks and health care. Fidelity's two funds that specialize in those areas were among the top 10 performers for the quarter. The leisure fund was especially helped by the run-up in broadcasting stocks such as CBS and ABC, as well as restaurant companies, Mr. Lynch said. And the Select Health Fund gained with its investments in drug and hospital management companies, he added.

Patrick Page Kildoyle, economist and portfolio manager of First Investors Group, said his firm's international fund performed well because it was heavily invested in the Hong Kong market, Canadian energy stocks and several cyclical companies, such as steel stocks, in the United States. □

New York Times Service

A New Surge of Interest In the Offshore Funds

(Continued from Page 7)

professionally managed and there are none of the communications problems that arise in trying to invest directly in complicated markets from a long distance.

The growth in the offshore industry in the last few years has been marked by a proliferation of specialty equity funds that give the offshore investor access to specific markets or sectors of markets. These funds concentrate their holdings in such areas as American growth stocks, Japanese small-company stocks or Australian stocks. "At the moment, the fad is European stocks," notes Robert Harris of the firm of Nicholson Harris, a financial adviser.

Typically, specialty funds start out catering to institutions, such as pension funds and insurance companies that find the funds a convenient way to invest in such difficult markets as those in Hong Kong or Spain. If the funds are successful, they become more receptive to individual investors. Mark V. St. Giles, head of GT Unit Managers, says that in recent years there has been "pressure to introduce more specialty funds for individuals."

Another trend has been the creation of "switch" funds, which allow investors to move assets among a family of funds at little or no cost. The most ambitious version is the Gartmore Capital Strategy Fund. It offers 13 funds in such areas as Japanese stocks, North American stocks, British stocks, British government bonds and yen convertible bonds. There are also currency funds in U.S. dollars, British pounds, Deutsche marks, yen and Swiss francs.

THE growth in the number of funds has complicated the task of selection. But for investors, the primary issue will always be the reputation of the fund. In a field touched regularly by scandal, investors should "only deal with first class names," cautions Paul Tagg, managing director of Tagg Financial Management. "If you're dealing in an offshore fund, you don't have to *deal on the fringe.*"

The safest path is to stick with the funds that are offshoots of established companies operating in the domestic markets.

After safety, the most important issue is performance, a much more complicated topic than many fund investors appreciate. The figures found in the promotional campaigns of even the best funds do not always tell the full story of performance.

In a bull market, smaller funds with aggressive managers can often outperform the broad market indexes by filling the portfolio with the volatile shares of young growth companies. But if the market sours, the value of an aggressive portfolio is likely to decline faster than the overall market.

Volatility can also be a trait of specialty funds concentrated in a market or sector that is prone to steep ups and downs.

For a clear picture of a fund's performance, it is important to look at the changes in its return on a year-by-year basis and to compare them with funds with similar goals and assets. Just looking at the average annual compound return over the life of the fund, a figure routinely trumpeted by fund brochures, will seldom provide the full story.

A fund with a 19-percent average annual compound growth over five years of existence is impressive. But the fund could have had a brilliant first two years and have been on the decline ever since, a fact that an investor should be aware of.

Some professional advisers also steer away from funds that they deem to be too large. Though there are exceptions, performance tends to be less dynamic as a fund becomes larger.

An issue closely linked to performance is the fund's investment policy. A seasoned investor will seek to find out how willing the fund manager is to convert the fund's stock holdings to cash should a bear market hit. Managers of stock funds typically will put no more than 30 percent of the fund's assets in cash, no matter how bearish the outlook, says Mr. Tagg.

Fund managers often take the view that their shareholders bought the fund to invest in the underlying stocks, not in cash, says Hugh Lockhart, managing director of Charnley McLernan Overseas, investment advisers. Thus, the managers believe their shareholders "have made the decision to ride out the risk," Mr. Lockhart says. But he says this attitude is changing somewhat among the younger generation of fund managers.

Another test of a fund's credibility is whether it has personnel in the markets in which it participates. A fund specializing in Japanese shares should have a person in Tokyo. "We like the management to be in the countries where the assets are," says Mr. Harris of Nicholson Harris.

To purchase shares in an offshore fund, investors will usually pay a "front-end" fee, or sales charge, of about 5 percent or less. Management fees vary widely, but usually do not exceed 1 percent annually, about the same as those for British unit trusts.

Fund operators are generally optimistic that their industry will continue to grow, helped along by the confidence in world markets and growing sophistication of investors. They count on the attitude expressed by a British employee of a North African company that is a joint venture between a U.S. firm and the local government: "Quite simply, they're an easy way to cover all my options." □

Lynne Curry in London contributed to this report.

United Press International

Bernard Cornfeld and some friends in London in 1974 after he was released on bail from a Swiss prison, where he had been questioned about fraud and other charges.

The Long Shadow of IOS

ONE OF the burdens on the international fund industry has been the legacy of the collapse of Investors Overseas Services, a scandal that ruined many investors' appetite for fund.

The investment community will not soon forget IOS or its founder, Bernard Cornfeld, a former social worker and mutual fund salesman from Brooklyn, New York, who went into business in Europe in the 1960s. Stealing a march on the big European investment houses and banks, he brought the concept of mutual fund shares to more than 200,000 mostly middle-class investors in Europe, Asia and Latin America eager to participate in the U.S. stock market boom of the 1960s.

By 1968, IOS controlled about 18 funds with assets approaching $2 billion. Mr. Cornfeld and a staff of about 1,400 ran a global empire from a lavishly furnished chateau on the outskirts of Geneva.

But IOS crumbled quickly as the bear market took hold in 1970. At one point, some IOS fund shares lost half their value in a single day as panicky investors dumped their holdings. In the power struggle that ensued, Mr. Cornfeld was deposed as head of IOS, with control eventually passing to Robert L. Vesco.

According to a U.S. Securities and Exchange Commission suit in 1972, Mr. Vesco diverted some $224 million in stocks in IOS funds to banks and shell companies controlled by himself and his associates. He was later indicted in the United States on fraud charges arising from the IOS collapse and on charges of attempting to obstruct an investigation by contributing $200,000 to President Richard M. Nixon's re-election effort.

Mr. Vesco thus became one of world's best known fugitives, and is variously said to be living in Costa Rica and on an island off Cuba. A Swiss jury acquitted Mr. Cornfeld in 1979 of fraud charges. He now lives in Los Angeles.

Nearly 12 years after the collapse of IOS, an international effort to sort out the company's affairs and liquidate its assets is nearing completion, according to Vic Barnett of Clarkson Co., the Toronto firm that is overseeing a major part of the process. He said Clarkson is still seeking about 16,000 IOS shareholders. (Queries should be addressed to The Clarkson Co., Liquidator, IOS Ltd., P.O. Box 251, Toronto-Dominion Centre, Toronto, Ontario, Canada M5K 1J7.)

According to a West German group of IOS shareholders, payments already received as part of the liquidation of four major IOS funds amount to about 95 percent of the total net asset values of the funds in 1973. "They got back most of their capital," said Mr. Barnett. "They just didn't get any interest for 15 years."

The IOS collapse — and a number of smaller scandals since — spawned a wave of new regulations. Still, experts say the offshore fund investor continues to have minimal legal leverage in the event of a fraud.

However, eager to keep their lucrative tax-haven industries flourishing, many of the offshore areas have moved to clamp down on abuses. Guernsey and Jersey in the Channel Islands and Hong Kong are among the offshore centers that have imposed firmer controls on funds. In general, regulators are looking closely to insure that a fund's assets are being held by an independent trustee or custodian. From the investor's standpoint, this should be a first-line bank with an international reputation to protect.

There is also a move among the more well known offshore funds to register their offerings with national regulatory agencies and to obtain stock market listings. "In some ways, the idea of 'offshore' is breaking down," says Mark V. St. Giles, managing director of GT Unit Manager in London.

Still, there is a long way to go before the fund business becomes truly international. Virtually every country restricts in some way the sale of funds not accredited by its national authorities.

The U.S. Securities and Exchange Commission has gone as far as to discourage any non-U.S. fund from soliciting Americans, even if they are not residing in the United States. In deference to the SEC position, prospectuses for many offshore funds state that shares will not be sold to a "U.S. person." In practice, however, few offshore funds enforce such provisions, though they will not accept correspondence or payments from the United States. In any event, the issue is between the SEC and the funds, not the investor, SEC officials acknowledge.

European Community officials are working on a directive that would let any fund approved by national authorities and meeting certain criteria sell its shares anywhere in the EC. The directive could be approved this year. □

— *William McBride*

THE BOURSES

Easy Gains Are Over For Progeny Of Ma Bell

By Edith Cohen

IT HAS been a little more than a year since the historic breakup of American Telephone & Telegraph. In that brief period, Ma Bell's offspring have turned in a stellar performance, exceeding their own earnings estimates for 1984.

"They've done a marvelous job in a year in getting things in order," observed Leonard Hyman, an analyst with Merrill Lynch, Pierce, Fenner & Smith Inc. On average, stock in the companies appreciated 17 percent last year to produce yields of about 7.5 percent. Pacific Telesis was by far the biggest winner. Its share price rose 28 percent. During the same period, the Standard & Poor's 500 Index managed a modest 1.4-percent gain.

Despite such enormous moves, which are unusual for telephone companies, analysts are skeptical that they will be able to duplicate last year's performance in 1985.

In many ways 1984 was unusual. The companies were new, yet benefited from lingering confidence that was generated by their Bell System connection. This year the regionals will be measured against the reality they have created. The stock market will not be as euphoric, analysts contend, and differences among the companies are bound to emerge.

"They are big, sound telephone companies, with some problems. The trick is to figure out which have bigger problems and which can overcome them," said Andrew Silton, an analyst at First Albany Corp.

At the moment, the analytic community is distinguishing very little among Ameritech, Bell Atlantic, Bell South, Nynex, Pacific Telesis, Southwestern Bell and US West. Since starting up in January 1984, the "baby Bells" have been more or less "running in a pack," according to Mr. Silton.

But each company has its own regional characteristics and problems. They cover regulatory climate, management style, demographics, and general responsiveness to technological developments and to business opportunities beyond simple telephone service.

Regulatory climate is seen by many as crucial, over the long term, to a regional company's attractiveness. Under the terms of the AT&T divestiture, about 90 percent of a regional's revenues must come from tariffs set by the Federal Communications Commission and state regulatory authorities. And this year profits could depend heavily on rate increases, and all the regional companies are seeking some increase in allowable rates.

Another big problem confronting the regional companies is the threat of "bypasses" in which big corporate customers develop their own telecommunications system instead of using the local phone service. The regional companies are clearly vulnerable when it comes to long-distance calls.

In order to subsidize local phone service, long-distance customers now absorb the costs of artificially high fees, called access charges, that are paid by the long-distance companies, such as AT&T, MCI Communications, GTE Sprint and others, to connect with local customers. But some large companies are developing ways to link up directly with long-distance lines.

If the bypass movement gains momentum, the loss of revenue could be devastating to the regional operating companies unless regulators agree to reduce the subsidy for residential service. Some companies are pressing officials to move in that direction, but it clearly is an unpopular political choice.

DEMOGRAPHICS will also shape the destiny of the regional companies. This does not necessarily mean a company must service an area of high population growth to boost profits. Instead, regions where telecommunication needs are increasing, such as in areas where corporate customers are growing, will likely benefit local telephone customers.

Another factor that investors should consider when evaluating the companies is their willingness to look for new business opportunities to help their growth. The 1983 divestiture decree places strict limits on the regional companies' ability to diversify into nontelephone ventures. "Nonregulated," business can account for no more than 10 percent of total revenues. Mobile telephone service and phone-equipment sales are exceptions.

Still, the companies are looking to such areas as foreign consulting and computer services for both business and residences.

The following is a rundown of how the experts view the growth and profit potential of the regional companies:

• **Ameritech**, based in Chicago, serves the great manufacturing area of the country sometimes known as "Smokestack America" and "the Rust Bowl." The region has recently trailed the general economic growth in the United States. However, Warren E. Spitz, an analyst at Value Line Inc., points out that Ameritech's concentration of service-oriented businesses is located in Illinois, perhaps the most progressive regulatory environment in the nation.

Moreover, analysts think Ameritech will see some business expansion. Mr. Silton sees potential in the growing need to send data from the businesses based in the area to their branches and manufacturing plants around the country.

• **Bell Atlantic**, which serves the eastern coast of the United States from New Jersey to Virginia, has been notable for aggressive acquisitions as part of a strategy to build a total communications company. James McCabe, an analyst with Prudential-Bache Securities, particularly lauds the recent purchase of Sorbus Service, the second-largest independent computer-service company in the United States.

Bell Atlantic has the lowest operating costs of the seven regional companies, and management expects to lower costs even further by cutting the work force by 10,000 by 1988. Analysts generally like Bell Atlantic's regulatory environment and current rate structure.

Nevertheless, analysts are divided over the company's ability to generate new telephone business. Mr. Hyman of Merrill Lynch notes that the eastern corridor is an area of slow population growth. And because Washington accounts for a large share of its revenue, he thinks Bell Atlantic is vulnerable to cost-cutting efforts by the U.S. government.

• **Bell South**, reaching into the fast-growing Sunbelt, gets a lot of credit for good management and above-average profit margins.

Charles W. Schelke, an analyst with Smith Barney, says that Bell South has had one of the highest rates of return despite what he sees as consistently poor regulation. Taking advantage of the region's growth potential, the company is also building for the future by installing modern equipment and focusing on technology.

• **Nynex**, which serves New York and New England and has the highest concentration of corporate customers, is seen as the most vulnerable to bypasses in the long run. "Give it another year or two for rates to reflect costs, and then the antennas will go up," said Mr. Hyman.

Nevertheless, analysts have rated the company a good choice in the short term and are waiting to see what steps the company takes to cut costs and increase revenues to support itself in the long run. Mr. McCabe noted that Nynex has announced the biggest work force reduction of any of the operating companies and intends to eliminate 5,000 jobs from its 94,000-employee payroll.

• **Pacific Telesis**, with about 95 percent of its revenue derived from California, serves a fast-growing, high-technology area. But its concentration also makes it vulnerable to a single state regulatory agency. Mr. Silton sees it as among the companies with the most problematic rate structure, growing out of the West Coast's historic dependency on long-distance toll revenues. He is concerned about whether California regulators will give it the rate increase it needs.

Mr. Hyman, however, thinks California regulators are intelligent and fair-minded, but acknowledges that the company's dependency on a single regulatory body is "not an easy relationship."

• **Southwestern Bell** put in the poorest stock performance of the holding companies last year. This partly reflected concern about its regulatory environment. Texas accounts for the bulk of the company's revenues. The best Value Line's Mr. Spitz can say of the situation is that "there is little likelihood that the regulatory environment could become much more difficult and the possibility at least exists for some improvement."

Rate increase requests totaling more than $100 million should be decided by midyear. Mr. McCabe of Prudential-Bache expects the state regulatory commission to allow some kind of increase. With the 1984 elections out of the way, he said, state regulators may now be less sensitive to political considerations.

• **US West** is distinctive in that it covers the largest land area, 13 states, and derives a large share of its revenues from interstate service. It operates in a rather varied economic climate, stretching from Sunbelt verve to Pacific Northwest sluggishness.

With a very small central organization, it encourages its component telephone companies to be strongly entrepreneurial as it aggressively diversifies into unregulated services, telephone-equipment sales, cellular radio and real estate. However far afield it roams, it cannot escape the need for the Federal Communications Commission to change the current interstate rate structure. Few analysts believe that the commission will do so immediately. □

How the Baby Bells Fare

AMERITECH
1984
Revenue: $8.4 billion
Earnings per share: $10.17
1985 Estimates
Revenue: $9.0 billion
Earnings per share: $11.10
Stock Price
Nov.21,1983: $63
March 29,1985: $82.13

Bell Atlantic
1984
Revenue: $8.1 billion
Earnings per share: $9.94
1985 Estimates
Revenue: $8.5 billion
Earnings per share: $10.50
Stock Price
Nov.21,1983: $65.75
March 29,1985: $83.13

BELLSOUTH
1984
Revenue: $9.5 billion
Earnings per share: $4.28*
1985 Estimates
Revenue: $10.1 billion
Earnings per share: $4.55
Stock Price
Nov.21,1983: $29.675
March 29,1985: $35.50
*(Reflects 3-for-1 split)

NYNEX
1984
Revenue: $9.5 billion
Earnings per share: $10.10
1985 Estimates
Revenue: $10.2 billion
Earnings per share: $11.00
Stock Price
Nov.21,1983: $60.50
March 29,1985: $80.00

PACIFIC TELESIS Group
1984
Revenue: $7.8 billion
Earnings per share: $8.46
1985 Estimates
Revenue: $8.3 billion
Earnings per share: $9.20
Stock Price
Nov.21,1983: $51.50
March 29,1985: $70.38

Southwestern Bell Corporation
1984
Revenue: $7.2 billion
Earnings per share: $9.40
1985 Estimates
Revenue: $7.7 billion
Earnings per share: $9.80
Stock Price
Nov.21,1983: $62
March 29,1985: $74.75

US WEST
1984
Revenue: $7.3 billion
Earnings per share: $9.24
1985 Estimates
Revenue: $7.9 billion
Earnings per share: $9.80
Stock Price
Nov.21,1983: $56
March 29,1985: $74.88

Estimates by Value Line

Targeting New Sale of U.S. Bonds

By David Tinnin

AFTER two successful issues last autumn, the Reagan administration has decided to proceed with a third auction of Treasury bonds aimed exclusively at foreign investors.

David Mulford, assistant secretary of the U.S. Treasury for financial affairs and chief architect of the so-called "targeted" issue, said the sale could take place this month, or at the latest in June or July. The U.S. Treasury, looking for innovative ways to finance the federal deficit, devised the targeted instrument last year after Congress repealed the 30-percent withholding tax that foreign investors had to pay on dividends and interest from fixed-income securities. Foreign institutions that purchase the Treasury notes for later retail sale must promise not to sell them to U.S. citizens.

The decision to proceed with another issue resolves some of the puzzlement expressed by the international financial community. Observers in Europe and Asia had thought that Washington would quickly assemble a third offering after the the first two issues created strong demand. The first $1-billion offer of five-year notes last October was oversubscribed by about 300 percent. An identical issue a month later was greeted with similar enthusiasm.

The delay was interpreted by some analysts as a sign that the U.S. Treasury was displeased with the narrowing spreads between the targeted issues and comparable securities in the U.S. domestic market. In the first two auctions foreigners were willing to accept a slightly lower yield, but are unlikely to do so in the future, analysts say.

In an interview at his Washington office, Mr. Mulford denied that this had anything to do with the delay. One reason for the pause, he said, was simply the bureaucratic shuffle that sent Treasury Secretary Donald T. Regan to the White House as chief of staff in exchange for James A. Baker 3d. The other reason, he said, was a glut of dollar-denominated new issues in Europe. "We did not want to sell into a weak market," Mr. Mulford said.

Mr. Mulford, who served for 10 years as principal adviser to the Saudi Arabian Monetary Authority before taking up his Treasury post, said the exact timing of the next issue depends somewhat on whether the Treasury intends to stick with five-year notes or diversify into a mixture of maturities, ranging from two to 10 years.

Mr. Mulford would not speculate on the size of future offerings, but by some estimates the U.S. Treasury will attempt to raise as much as $10 billion through targeted issues over the next two years. □

Oil Takeover Talk

(Continued from Page 7)

disclose their identity until they have acquired at least a 5-percent stake.

The smaller companies are also generating takeover speculation, although it has generally been less publicized. Clyde Petroleum has twice bid for Petrolex. The last offer, which expires Tuesday, was for 75 pence a share, up from 58 pence that the company rejected earlier.

Goal Petroleum and Anvil are also considered likely targets. Mr. Gregory estimated that Goal's potential exploration tax credits alone could be worth as much as 127 pence a share. It closed at the end of March at 114 pence.

Floyd Participations is also seen as a possible target. Last month's surprise decision by the British government to eliminate tax credits for on-shore exploration, where Floyd has concentrated its efforts, has raised questions about the company's future. It is thought by some analysts that Floyd's assets may be worth more than its value on the Unlisted Securities Market.

Shares in the company, which had been trading for over 100 pence, closed out March at 85 pence. Wood, Mackenzie puts its asset value between 54 pence and 101 pence a share.

"Despite all the talk of takeovers, it's been happening a bit more slowly than some people thought," said James Joseph, an oil analyst with James Capel & Co. "But it may just take one successful bid to trigger all the takeovers." □

The Quarter: Global Gains

AFTER generally dozing during 1984, stock markets around the world awoke last quarter charged with an energy that set records on stock indexes around the globe.

Indexes surged to new highs in New York, London, Tokyo, Frankfurt, Paris, Amsterdam, Zurich, Milan, Oslo and Madrid. In January, electricians in London installed an extra digit on a sign on the Financial Times newspaper building just in time for the industrial share index to break 1,000.

The World Index, a measure of stock prices and dividends around the globe, rose about 9.1 percent from January through March. And when the North American markets are excluded, stock prices rose 9 percent in the quarter. In both cases the index, which was devised by Geneva-based Capital International Perspective, converts the return on equities into dollars.

Prices on the New York Stock Exchange took off in the new year. The Dow Jones Industrial Average of 30 major stocks began rising in the first week of January and by the end of the month had crossed the magic 1,300 level, although it drifted lower by the close. The Dow persistently tried to close above the 1,300 barrier in February and managed a new high of 1,299.36 on March 1. After that effort, it generally drifted moderately lower, ending the quarter at 1,266.78.

"You had a very broad based rally that started the year off, and then we simply went sideways," said Hugh A. Johnson, strategist for First Albany Corp., a regional brokerage firm. Analysts attributed the drift to concerns about the strength of the U.S. economy, fears of a more restrictive monetary policy and rising interest rates, concerns about the banking system and, before the dollar dropped, anticipation that multinational companies would suffer reduced profits from currency translations.

"The really spectacular performance was in stocks of small to medium-sized companies, especially in high technology," Mr. Johnson said.

Boosted by strong corporate profits, London stock prices surged in January, with the Financial Times ordinary share index of 30 major stocks setting a record on Jan. 22 of 1,024.5. The index later lost ground and has returned to triple digits but is still almost 3 percent higher than its year-end level.

"A good British stiff upper lip" has allowed investors to spur the market notwithstanding rising interest rates, according to Roger Nightingale, who follows equities for Hoare Govett, the London stockbrokerage. Last summer rising interest rates had depressed the market, he said, but robust corporate profits this quarter are now helping investors maintain their enthusiasm in the face of interest rates that soared in January and are considerably higher than in the United States.

The surging dollar pulled share prices in its wake on the Frankfurt exchange, pushing the 100-share Frankfurter Allgemeine Zeitung index to 423.55 by mid-March, from 382.39 early in the year. Then a technical consolidation caused the market to level off. At Friday's close the index stood at 408.90, up about 7 percent for the quarter.

Franz-Josef Lerdo, a stock analyst at Frankfurt's Bank fur Gemeinwirtschaft, said people were "bowled over by the profit strength of export-oriented companies," whose booming sales to dollar-paying customers last year translated into higher earnings. "But it was a two-edged sword," he added. "As the dollar leveled out, measured decline set in."

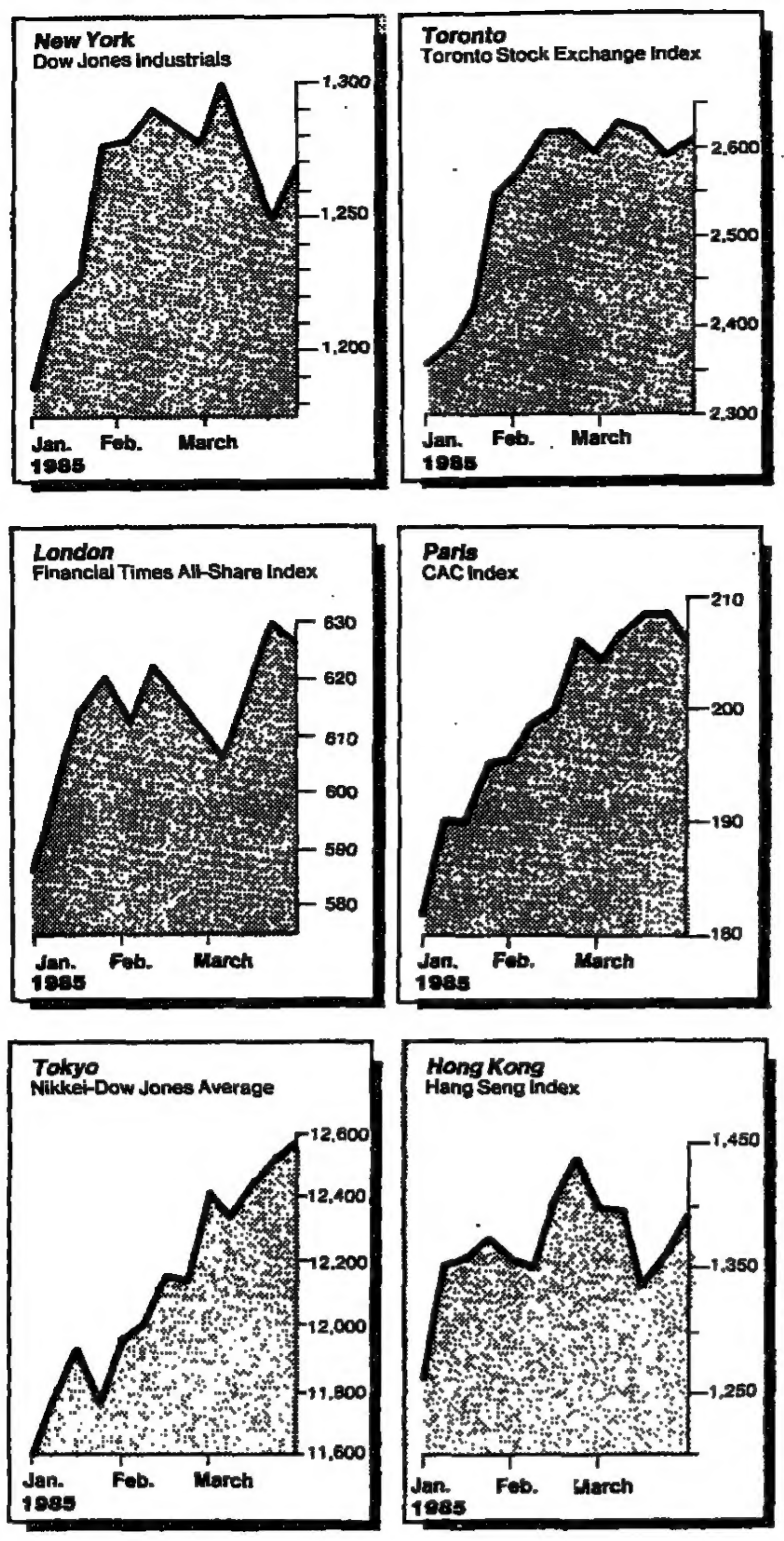
The Tokyo stock market continues to set records. An abundance of money to invest and strong corporate profits in the export sector have propelled the 250-stock Nikkei-Dow Jones Average 11,558 at the beginning of the year to 12,580.76, a gain of 8.8 percent in the quarter.

Partly because of their traditionally good performance, equities are attracting more investors away from bonds. That is also helping to fuel the index's rapid rise. Foreigners are also bidding up stocks, especially biotechnology issues. Analysts say Dainippon Pharmaceutical, Yamanouchi Pharmaceutical and Mitsubishi were among the equities that benefited from foreign interest. □

New York Times Service

First Quarter Activity on Major Stock Markets

Weekly close of selected share prices on major international stock exchanges



In March, a Hesitant Mood

TAKEOVER maneuvering infused some vitality into the New York Stock Exchange last month, but not enough to chase away the hesitant mood that has held the market back since February.

The Standard & Poor's 500 Index eased a half-point to end the month at 180.66. The Dow Jones Industrial Index dropped more than 17 points to finish at 1,266.78. "The problem with March was that interest rates started to rise," said Elaine Garzarelli, an analyst at Shearson Lehman. "Investors are afraid of a recession."

With the market expecting disappointing first-quarter earnings and concern that the U.S. economy is slowing, investors turned to the stocks that can be counted on to retain their value and produce earnings, according to Miss Garzarelli. "Industries that are more defensive began to perform," she said, citing utilities, foods and tobacco stocks as the dependable refuges for those playing the waiting game. "People still eat and smoke, no matter what," she said.

Nevertheless, last month's merger fever lent some excitement to the otherwise lackluster market. The top three performers on the New York Exchange were the targets of takeover bids. "The broad-based market slacked off, and into the vacuum came the takeovers and the blockbuster of those was ABC," said Norman J. Noble, head of research at Fahnestock & Co., referring to the broadcast company's purchase by Capital Cities Corp. "When the ABC deal came through it doubled or tripled interest in takeovers."

With less fanfare, J.M. Tull Industries, a profitable steel processor and distributor, led the winner's list last month. A tender offer for the company's stock by Inland Steel Co. at midmonth and a counteroffer by Bethlehem Steel Corp., which has emerged as the "white knight," were behind Tull's impressive performance.

Evans Products Co., which filed for court protection from its creditors, was March's biggest loser.

In London, increases in the base lending rate and uncertainty about the government's bugetary plans dampened spirits on the stock exchange. The Financial Times All-Share Index fell almost 3 percent in March to close at 964.3.

Even the pound's comeback on currency markets failed to stir British equities. "The appreciation of sterling reduced the value of overseas earnings," said Stephen Lofthouse, a portfolio strategist at James Capel & Co. Sectors dependent on international markets, like tobaccos and chemicals, suffered. Domestic retailers were favored.

Dunlop Holdings PLC, which ended protracted takeover talks by agreeing to merge with BTR PLC, topped the leader's list for the second month in a row.

Topping the losers' list was Allied Irish Banks. The company's subsidiary, Insurance Corp. of Ireland, ran into financial difficulties and was bailed out by the Irish government last month.

In Tokyo, the Nikkei-Dow Jones Index gained 2 percent to close at 12,580.8. Analysts said the market lacked clear direction. □

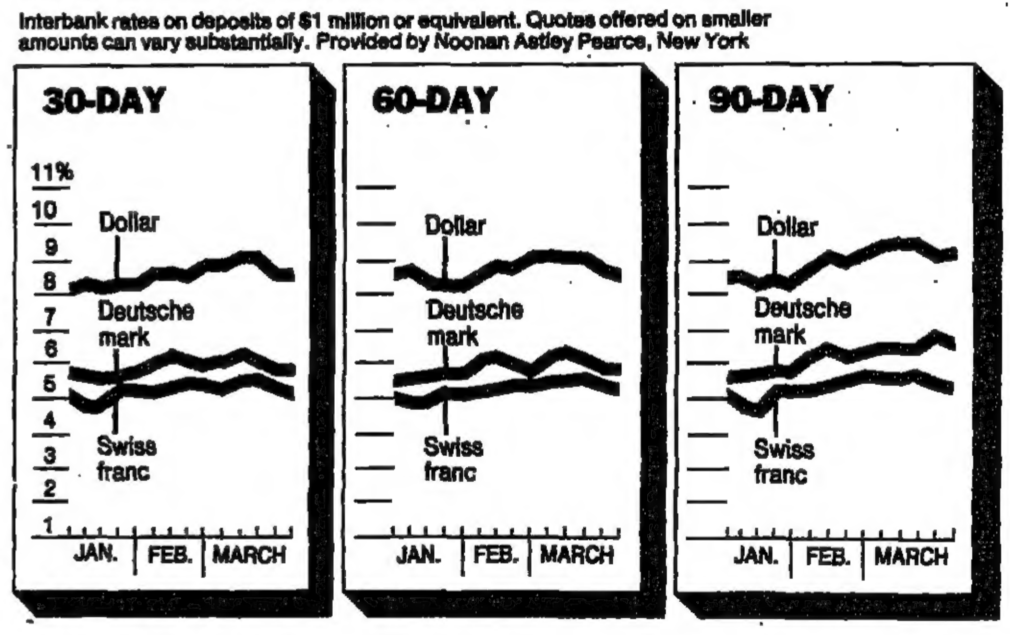
Gainers and Losers

The stocks on the New York, London and Tokyo exchanges that showed the largest percentage gains and losses in March.

GAINERS	Percent Gain	March 31 Price	LOSERS	Percent Loss	March 31 Price
New York Stock Exchange: Compiled by Media General Financial Services. Prices in dollars					
J.M. Tull Industries	64	21.75	Evans Products	53	2.25
American Broadcasting	59	106.00	Computervision Corp.	49	19.00
McGraw Edison	46	64.00	American S&L Assoc. Fla.	45	6.50
Coastal Corp.	43	43.75	Centronics Data Computer	43	5.00
Electronic Memory	38	8.25	Mohawk Data Sciences	35	7.50
Western Co. of N.A.	38	6.88	Massey-Ferguson Ltd.	32	2.13
Publicker Industries	36	3.75	Houston Oil Royalty	32	8.63
Tricentrol PLC	36	5.63	LLC Corp.	29	2.50
Safeguard Scientific	35	8.75	AVX Corp.	26	17.75
British Telecom ADR	34	17.25	River Oaks Industries	25	4.88
American Stock Exchange:					
Holly Corp.	40	11.38	Unity Buying Service Co.	52	10.00
Wright-Hargreaves Mines	39	6.25	Esprit Systems	45	2.00
Spendthrift Farm Inc.	38	10.50	Westbridge Capital Corp.	44	9.75
Verbatim Corp.	34	7.38	Texscan Corp.	41	3.38
Martin Processing Inc.	33	24.88	Swanton Corp.	41	3.38
Over the Counter:					
Laser Photonics	106	9.25	Arlington Realty	60	5.25
Byers Communications	100	2.75	Pyramid Oil Co.	41	4.75
Unioil	89	2.13	Andrew Corp.	38	22.50
Photronics Corp.	86	5.13	Schaak Electronics	36	4.50
Verdix Corp.	83	6.75	Walker Telecommunication	35	7.75
London Stock Exchange: Compiled by Capital International. Prices in pence					
Dunlop Holding	48	66	Allied Irish Banks	25	101
Woolworth Holdings	37	779	International Thompson	18	492
Delta Group	25	155	BSR International	16	118
House of Fraser	21	396	Thorn EMI	11	401
Ocean Transport	20	183	Imperial Chemical	10	762
British Telecom	18	141	United Biscuits	9	181
Ultramar	17	228	Inchcape U.K.	9	403
Ranks Hovis McDougall	17	154	Courtaulds	9	141
W. H. Smith & Sons	16	206	Tate & Lyle	9	426
Glynwed	14	204	Bank Ireland	9	230
Tokyo Stock Exchange: Compiled by Capital International. Prices in yen					
Green Cross	29	3,540	Nippon Gakki	27	1,760
Nippon Credit Bank	27	5,340	Pioneer Electronic	17	2,610
Asahi Chemical	27	868	Omron Tateisi	16	1,730
Hokkaido Takushoku	27	630	TDK	15	5,480
Unitaka	25	262	Mochida Pharmaceutical	15	8,560
Yamaici Securities	24	810	Nitto Electrical	14	1,500
Daiichi Seiyaku	24	2,360	Hattori Seiko	13	1,020
Japan Airlines	23	6,500	Mori Seiki	12	2,480
Nippon Light Metal	22	268	Kyocera	12	5,500
Mitsui Toatsu	20	238	Victor Co.	11	2,070

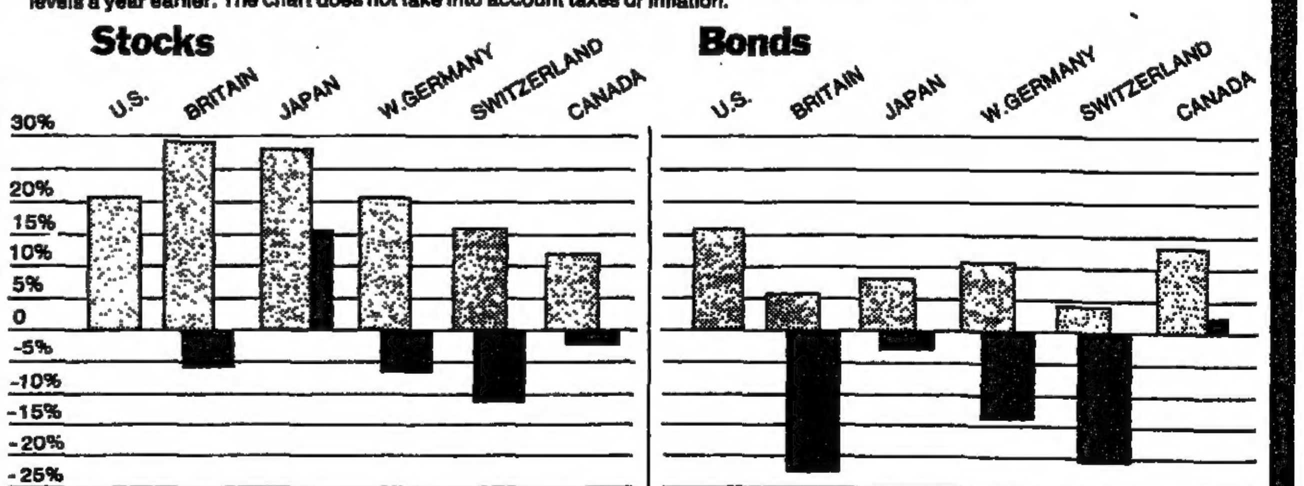
Eurocurrency Deposit Rates

Interbank rates on deposits of $1 million or equivalent. Quotes offered on smaller amounts can vary substantially. Provided by Noonan Astley Pearce, New York



Total Return for 12 Months

Total return measures both the changes in the prices of securities and the income they provide, either in dividends or interest. Gains and losses were measured by comparing market indexes with their levels a year earlier. The chart does not take into account taxes or inflation.



Total return for 12 months ended February in local currency

Total return for 12 months ended February in dollar terms

Source: InterSec Research Corp., Stamford, Connecticut, Bond indexes are proprietary, Equity indexes are from Capital International

Offshore Funds in Hong Kong

(Continued from Page 7)

taken with Hong Kong lately that it is difficult to tell one from the other.

For example, the $58-million Jardine Fleming Hong Kong Trust is currently 87 percent invested in Hong Kong with small percentages sprinkled in markets in Singapore, Malaysia, Taiwan and Britain. By contrast, its sister Asian fund, Jardine Fleming's Eastern Trust, which totals $16 million, is 78 percent invested in Hong Kong.

Not surprisingly, the fascination with Hong Kong funds has also led to talk of a China fund that would focus on companies expected to benefit from Hong Kong's growing business ties with the mainland. Robert Lloyd George, manager of Indosuez's Asian Growth fund, said China will soon replace the United States as Hong Kong's primary export market.

Charles Willis, a fund manager with Jardine Fleming, says his organization is working on the idea of a China unit trust that would include international companies with large interests in China.

Nevertheless, a number of observers say a China fund may be premature. Experts at N.M. Rothschild, which manages the Old Court Hong Kong Fund, have taken a close look at companies doing business with China. In many cases, they found that the percentage of company profits that resulted from direct business dealings with China is "miniscule."

Some fund executives go so far as to dismiss the concept of a China fund as a marketing gimmick. They point out that the Hong Kong stock market is already directly influenced by what happens on the mainland and they question the need for a new fund. Moreover, with Hong Kong destined to become an integral part of China in 1997, the distinction between a purely Hong Kong fund and China fund is fading.

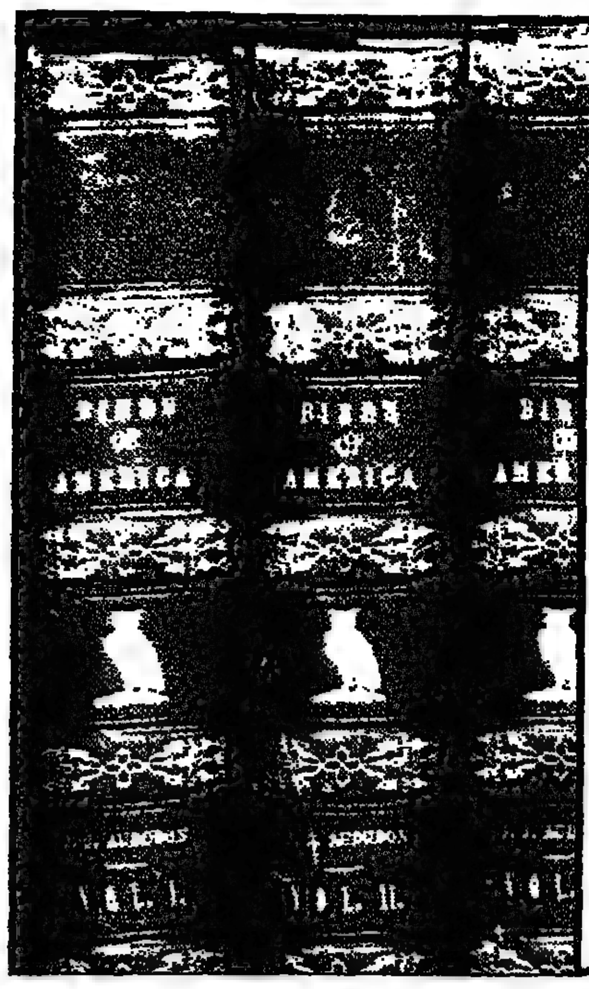
Instead, these fund managers prefer to concentrate on the Hong Kong market, trying to get a mixture of stocks that can benefit from China's modernization, but also capture the anticipated gains in other sectors.

Getting the right mixture in a giddy market like Hong Kong is not easy, however. Mr. Kong of Schroder's says a common mistake in Hong Kong is to trade on rumor, ignoring fundamentals. "A lot of people think this is a punter's paradise," he said. "But I feel strongly that if you apply sophisticated techniques to this market, you'll do much better than those who don't." □

SOMETHING DIFFERENT

Looking Past the Critics' Choice

By John Rearick



REMEMBER Joseph Hergesheimer? Few people do. In the 1920s and '30s he was a rising sun on the literary horizon. His carefully researched historical novels enthralled the American public, and fans snatched up editions of his work as soon as they appeared at book stores.

Mr. Hergesheimer's celebrity soon attracted the attention of investment-minded book collectors. Convinced that his fame would endure and that the value of his books would rise accordingly, they eagerly added Mr. Hergesheimer's works to their collections. Many are sorry they did.

More than a half a century after "The Lay Anthony" and "The Three Black Pennies" propelled him to prominence, Mr. Hergesheimer is a forgotten figure in literary history. Although he finished more than 20 novels before his death in 1954, his works languish in obscurity. "I haven't been able to sell a Hergesheimer in 20 years," lamented Robert Wilson, who owns The Phoenix Bookstore in New York City.

It is hard to find any one reason for Mr. Hergesheimer's fall from favor. Some experts ascribe it simply to the fickleness of the reading public. Whatever the reason, it illustrates the treacherous nature of the rare book market.

Even book dealers generally discourage investors. "Don't" is Mr. Wilson's advice to those considering investment in books just for profit. "Despite the fact that the market has gone up staggeringly in the last 10 years," he said, nothing can be counted on in the book market except the aesthetic pleasure of having the book.

Nevertheless, scanning the prices that books have fetched at auctions in the past year might well inspire an investor to make room in his portfolio for some 16th century sermons or Victorian literature. An edition of Isaac Newton's work brought $20,000 in 1984, while a facsimile of an Audubon book went for $34,000. Even a first edition of "The Thin Man" by Dashiell Hammet sold for $1,200 at a recent auction.

In the last four years, the average dollar value of fine rare books has risen 50 percent, according to Sir William Rees-Mogg, who runs the London book firm of Pickering and Chatto.

"Book collecting has been a very profitable investment," according to Sir William. "The market is always getting narrower. There has been a steady increase in money and a steady decrease in supply."

As a general rule for investors, books fall into two categories: expensive classics that are sure to offer some rate of appreciation, and modern books that are relatively inexpensive but completely speculative in terms of investment value.

"What has come to control the market is affordability and availability," Mr. Wilson said. Everyone, he says, would like to have a first edition Jane Austin or a Walt Whitman, let alone a Shakespeare folio or a Gutenberg Bible, but family collections, museums and libraries have left a market mostly populated by modern literature.

Not surprisingly, collectors have begun to covet contemporary classics. Some have performed very well on the market. "Casino Royale," Ian Fleming's first thriller, is estimated to be worth around $1,800. First editions of John Updike's early works from the 1950s are now valued at about $300.

Before beginning a collection, experts say, investors should first stake out an area of interest in literature.

"It is much safer to collect poets," suggests Mr. Wilson. "It takes time for them to establish a reputation and, conversely, their reputations don't decline as fast." Mr. Wilson said that 20 years ago he bought "Jim's Book," the first book by James Merrill, a Pulitzer Prize-winning poet, for $35. He estimates that the book is now worth $5,000.

Sir William favors 19th century texts. Fiction and poetry from the period may be out of reach for most new collectors, he said, but the political and scientific works of the era are still collectable. He encourages new collectors to consider the works of Gladstone, Disraeli and T.H. Huxley.

After narrowing the search to a particular author or period, a collector should then examine a book's condition, establish how rare it is and try to gauge potential demand.

Of the three criteria, condition is the most important. Even the rarest book can prove difficult to sell if there is damage to its binding, edges or dustcover. A worn first edition of F. Scott Fitzgerald's "The Great Gatsby" languished for two years on the shelf at New York's Strand Book Store, recalls Craig Anderson, a rare book specialist at the shop.

Determining rarity and future demand is a lot trickier. Stephen King's "The Shining" and "Carrie" are considered hot collectibles. But now that Mr. King is a big seller and his hardcovers are receiving massive first printings, collectors are looking for publisher's proofs of the ghoulish novels.

"The closer you get to the point of creation, the more valuable it is," advised Judith Lowry of the Argosy Book Store in New York. First editions of a popular work will bring high prices, but a book's manuscript, the publisher's galley sheets, page proofs and prepublication review copies can be even more attractive to collectors, provided they do not find the rough versions aesthetically unappealing.

In some special cases, book collectors might even prefer a second edition to a first. Mrs. Lowry noted that the earliest edition of Robert Frost's collected poems was incomplete. True lovers of Frost usually choose the completed second version over the more valuable first edition, she said.

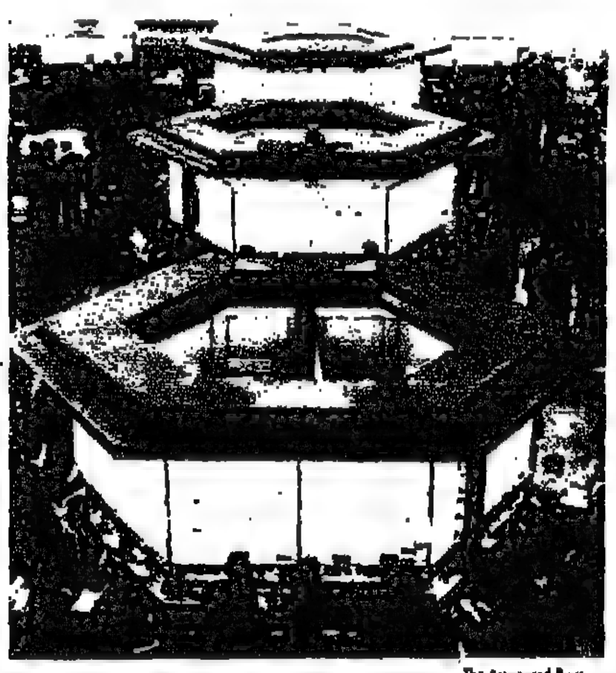
To determine potential demand, the Strand's Mr. Anderson suggests looking over several year's auction records to get a sense of the book's price movement on the market.

In the end, it must be remembered that the market is driven by book lovers, not investors. "You should be appreciating your book," counsels Mrs. Lowry, "not waiting for it to appreciate." □

Best Sellers

The prices that various rare books and manuscripts brought at auction in 1984

Book	Price
Autographed manuscripts of Abraham Lincoln's last public address	$210,000
The Antiquities of Mexico, edited by Lord Kingsborough, published in 1831	$60,000
Philosphiae Naturalis Principia Mathematica, by Sir Isaac Newton	$20,000
The Fables of La Fontaine, an illustrated edition, published in 1755	$19,000
Second Folio of plays by William Shakespeare	$9,500
Mansfield Park, by Jane Austin	$4,890
Valley of the Dolls, original manuscript by Jacqueline Susan	$5,500
The Thin Man, by Dashiell Hammett	$1,200



The Associated Press

The trading floor of the London Stock Exchange.

Next Month

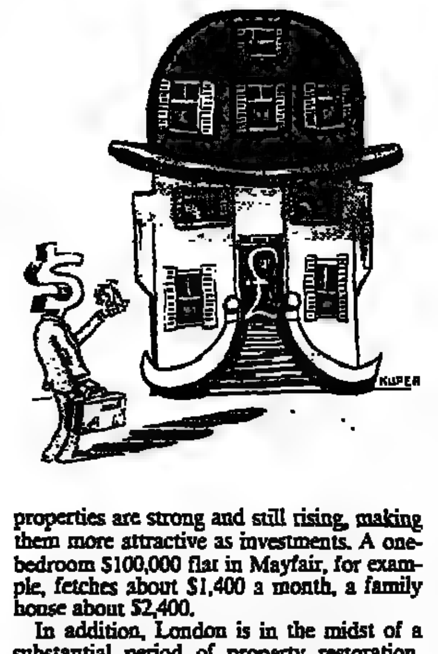
High U.K. interest rates and the possibility of a decline in the dollar are drawing investor attention to Britain's government-bond market. In its May 13 issue, Personal Investing also explores how the changes in the structure of London's securities affect the individual investor. In other reports:

- *Knowing how to recognize a "story stock" is crucial to understanding Japanese equities.*
- *A look at whether the best-performing commodities funds can duplicate their 1984 performance.*
- *Fare wars have buffeted the airline sector, cutting into profits. Analysts give a rundown of some key stocks as the travel season approaches.*
- *The world of antique maps.*

REAL ESTATE

The Lure of British Real Estate

By Andree Brooks



WHEN Douglas Coppola, a New York investment banker, and his wife, Denise, learned early this year that they were being posted to London, they immediately contacted Denise LeVan, European referral director at the local offices of Sotheby's International for advice on London properties.

"Last time we were sent to London we rented," Mrs. Coppola said. "But this time, we wanted to jump in with both feet. With the pound so low, everything looks like an absolute bargain."

Whether for use during a posting, as a pied-à-terre, as a vacation home or as an investment, property in Britain is being sought by foreigners with dollars to spend. With the pound having slid against the dollar to nearly half its value five years ago, it is possible to buy a one-bedroom luxury Mayfair flat for the equivalent of about $100,000 or a three-bedroom period house in other prime neighborhoods like Kensington or Holland Park for around $250,000.

But are these apparent bargains a sound investment? In London, brokers paint a mixed picture. On the debit side is the generally poor quality of maintenance of many of the period inner-London structures that foreigners favor, their already inflated prices by local standards — which have virtually eliminated local buyers from the market — and notorious delays in dealing with sellers, lawyers and contractors.

Also unsettling are the tenuous, restrictive nature of the leasehold style of ownership that prevails in most of central London and the possibility that the pound, which has already shown signs of recovering, could strengthen dramatically and take the steam out of the luxury market, where most of the activity is occurring.

Only 30 percent of central London property is being sold to local residents, said Victoria Mitchell, an investment adviser with Savills, a major London agency. Jeffrey Gould, a London-based American lawyer, warned that it thus may not be easy to sell if there is a violent swing in the value of the pound.

Balancing these drawbacks is the tight supply of good central London property, caused largely by pre-existing demand from foreigners that led to a 30-percent increase in prices last year. Another factor is a shortage of land for development or redevelopment, which inhibits new construction. Many of the "new" housing units in London are rehabilitations of existing properties. Provided the pound stays about level, continuing shortages suggest strength in the market.

Moreover, rents for good central London properties are strong and still rising, making them more attractive as investments. A one-bedroom $100,000 flat in Mayfair, for example, fetches about $1,400 a month, a family house about $2,400.

In addition, London is in the midst of a substantial period of property restoration, providing the chance to buy in one of the "coming back" neighborhoods like Hammersmith, Battersea or Clapham. In these areas, a four-bedroom Victorian brick row house can still be bought for $90,000 and may appreciate later as revitalization of those neighborhoods continues.

Professionals are now recommending the period properties, where demand is consistently strongest. Modern houses or flats are not enjoying the same level of appreciation, reported David M. Pallot, an associate partner with the Chelsea office of Chestertons, now that Arab buyers, who dominated the market for about six years and always preferred new construction, are less active in this market.

At the moment, because they are served by major highways from London, the most sought-after country properties are those west of London in Berkshire, Wiltshire and Hampshire and parts of Gloucestershire and Oxfordshire.

Mr. Gould counsels buyers to weigh prices against the value of comparable properties, not the relative cost in dollars.

Once a price has been settled, however, it is not a firm agreement until contracts are signed, which may occur months after buyer and seller shake hands informally on the terms. In the United States, binding contracts are signed soon after an agreement is reached, with the closing set for some time later to allow time for title searches and other verifications.

Robert Levy, a British solicitor specializing in real-estate transactions, warns against filling the vacuum with a binder signed by both parties unless it includes the terms "subject to contract." Otherwise it can be considered a legally binding contract, even before the building has been inspected or financing is in place.

A hazardous byproduct of this hiatus is the widespread British practice of "gazumping" — unceremoniously dumping one buyer for another who offers a higher price or is able to reach the contract stage sooner. Only speed can avoid this.

Ten percent of the sale price is due at the time of contract. There is no title insurance in Britain; the title search is done by the buyer's lawyer. Expect the lawyer to charge around 1 percent of the purchase price for the entire transaction, although fees are competitive and it may pay to shop around.

Among other closing costs are a value-added tax of 15 percent on all professional services, a "stamp duty" of 1 percent of the sale price and any application, appraisal fees or points charged by the lender.

Investigate the terms if the home is a leasehold offering. In central London, many properties belong to a major landowner such as the Grosvenor Estates, Cadogan Estates, Crown or Church Commissioners, and are normally leased on a constantly renewable long-term basis, such as 99 years.

However, lenders are uneasy about financing a lease that has less than 50 years to run, warned Julian Standing, a senior agent with John D. Wood & Co., another major London agency, and a short term can depress value. Also, the landowner can insist on certain repairs at certain times.

But in the last 15 years, laws have been passed protecting the resident-owner, noted Anthony Radcliffe, a solicitor with Boodle, Hatfield Co., a London firm specializing in leasehold issues. For instance, occupants of leasehold properties with a taxable value of less than £1,500 ($1,800) or around £200,000 in market value, can demand the freeholds from the landowners at a fair market price after they have lived in them for three years. More protective measures are expected soon, and extensions often can be negotiated before a current lease expires.

Potential buyers should also be aware that local British lenders have been unwilling to lend to a foreigner unless he or she is a known customer or works for a corporate customer.

When the time comes to sell, the homeowner will find that Britain does not levy a capital-gains tax on sale of a residence if it is the owner's only British home. There are also no restrictions on the repatriation of funds. □

New York Times Service

ARTS / LEISURE

From Bleak Themes, Laughter

Argentine Playwright Turned to Humor in Military Regime

By Kevin Noblet
The Associated Press

BUENOS AIRES — With a humor once used to outwit military censors, Roberto Cossa is keeping standing-room-only crowds in stitches while exploring the dark side of the Argentine character.

Cossa's latest play, "Los Compadritos," has become the smash hit of gaudy Corrientes Street, Buenos Aires's answer to Broadway. It will be presented in August at the Latin Theater Festival in New York by the New York Shakespeare Festival.

The play centers on an ill-fated scheme by a German naval commander and a money-hungry sandwich shop owner to launch a Nazi front in Argentina during World War II.

The shop is turned into a beer hall, complete with swastikas and portraits of Hitler. When the effort flops and the Nazis are defeated in Europe, the beer hall falls into ruin and the schemers are reduced to junkmen.

The allusions are obvious, Cossa admits, to the rightist armed forces leaders who seized power in 1976 and launched a "National Reorganization Process." Disgraced by military and economic debacles, the dictatorship stepped down in 1983, when civilians returned to rule.

"I wanted to present images of what happened during the Process through this Nazi commander," Cossa said in an interview.

He said the inspiration for the play came while he was reading an article about the defeat of the German pocket battleship Graf Spee in the Río de la Plata in 1939. The vessel's 1,000 crewmen were interned in Argentina for the duration of the war, and most of them permanently settled in the country.

"This story offered a great medium for presenting the problems of right now," Cossa said. "Then emerged old obsessions of mine [such as] the issue of the identity of Argentines and our country.

"It's a country that wants to be like Europe or the United States. It's insecure and has pretensions of being a great country. There's a tremendous frustration," he said.

The play's title literally means "Little Comrades," but in Argentine parlance a *compadrito* is a certain type of boastful and shiftless dandy who, switchblade in pocket, haunted the shadowy dance halls of Buenos Aires during the tango's heyday in the early 1900s.

The *compadrito* lived for the main chance, and his philosophy of scant ethics persists as a kind of urban caginess called *viveza*.

"It's a widespread concept here," Cossa said.

Despite its bleak themes of greed and totalitarianism, "Los Compadritos" is loaded with comic stereotypes, sly political allusions and a fair dose of slapstick.

Cossa, one of Argentina's most successful playwrights, said he turned to humor when the military took over. Censorship was fierce under the dictatorship. Artists suspected of leftist leanings were persecuted or forced into exile.

"The only way to stay and survive was with humor as a defense. It was a way to survive psychologically and, in addition, a way to express things that could not otherwise be said."

Cossa, identified with leftist factions of the Peronist Party, was barred from the large government-supported municipal theaters. He also could not produce his works for television or as movies, a major source of income for Argentine playwrights.

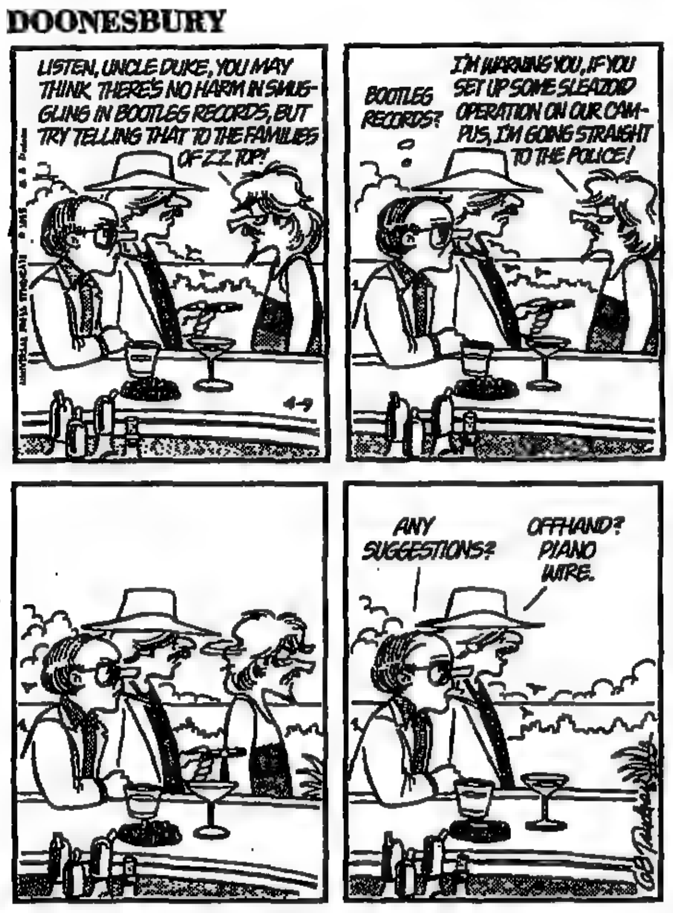
In 1981, together with other banned playwrights and actors, he organized the Teatro Abierto, or Open Theater, which enjoyed tremendous success in small venues despite the repression.

"There were things we couldn't say straight out," Cossa recalled. "We used a lot of metaphor. You had to use subtlety."

He said the theater was not so heavily censored as other art forms, such as books, movie and television, because of its appeal to a smaller audience.

Ironically, the end of military rule has hurt theater, he said. "When democracy returned, the Argentine movie industry went back into production. And even television began presenting works that addressed contemporary issues. Also, all the foreign movies we couldn't see for 10 years began pouring in. Thus, theater found itself with a reduced audience."

DOONESBURY



Jazz Poster Stirs Charges of Racism

By Michael Zwerin
International Herald Tribune

PARIS, France — The poster shows 12 arrows carrying the colors of European countries flying in the direction of a thick-lipped "Black Sambo" stereotype playing drums. Most of the arrows have hit the bass drum, which has "American Jazz Band" printed on it, but the French one has pierced his bowler hat and the Portuguese arrow is about to enter his heart.

The Afro-American Parisian artistic community and many European musicians are up in arms over what they consider a racist and chauvinist image appearing on the program cover and poster for the "Europa Jazz Festival" in Le Mans, France April 18-21. The organizers and some co-sponsors admitted to embarrassment over what they call "a bad mistake."

Hart Leroy Bibbs, the photographer, poet and novelist, thinks it's worse than that: "This insulting stereotype cannot be separated from the climate of mounting racism in France, from the recent bombing of the Jewish Film Festival and the popularity of Jean-Marie Le Pen's National Front party."

The saxophonist Steve Potts tore the poster down from the wall of the New Morning Club. The Sunset, another jazz club, refused to hang it, as did the cultural section of the Dutch Embassy, one of the co-sponsors.

Alan Silva, musical director of the cooperative French-American jazz school IACP, refused to allow the poster to be hung in the school because "I have a lot of Third World students. It's insulting to them." Alexander Schlippenbach, the German leader of the intercultural Globe Unity Orchestra, was "outraged" by the image, although he is not on the program. He told Silva: "European musicians should not be associated with this sort of fascist publicity."

The organizer, Armand Meignan, explained: "We meant it as a gag. We just wanted to show that Europeans are as good as Americans. It's too late to change it; I would if I could. The drawing represents old New Orleans-style jazz, and now we Europeans can do it better. But I program blues and African festivals and many black jazz musicians all year round."

The white-black, European-American controversy is not new. It is still part of daily conversation among French musicians, many of whom consider American jazzmen resident in France as cultural imperialists (although almost every biography in the Europa program boasts American names as influences and credits).

In his book "Histoire Générale du Swing" published in Paris during the occupation in 1942, André Coeuroy tried to prove that jazz was European rather than African, that it descended from French and Italian folk melodies and from Debussy: "It has been assumed for a long time that jazz is specifically Negro music. My theory is the opposite. Jazz became Negro by chance. The principal elements are not only white, but European. Its history and its material both belong to us."

Charles Delaunay, president of the Hot Club de France, reviewed Coeuroy's book in Jazz Hot magazine: "The author adopted a thesis that he pushed to the absurd. He tries to prove that everything worthwhile in jazz is European, he portrays Negroes as clowns, he ridicules black music. This is really shocking."

As the novelty of American jazz musicians in Europe gradually wore off, the European level of musicianship rose thanks to their American teachers, and fierce competition was set off in a declining market. Meignan wonders whether the Americans are bitter because they are not included on his program.

The pianist Bobby Few denied it: "He has the right to hire who he pleases, but that drawing does not represent the image of Afro-Americans in 1985. It's a slap in the face."

Henry Pillsbury, artistic director of the American Center, which sponsors cultural events in all the arts, said: "As programmers of jazz in Paris we have never maintained American exclusivity. We have tried to bridge the gap, although historically jazz is the single undisputably American art form."

Alain Surrance, who heads the music section of the French Ministry of Culture, a co-sponsor, said he had not seen the drawing before it was printed and would not have approved it if he had. He called it "a blunder," adding, "It looks to me like they are trying to kill their father."

Cover of the Le Mans jazz festival program.

Even the Very Wealthy Have Their Problems

By Sharon Johnson
New York Times Service

NEW YORK — Between them, the 30-year-old Boston couple had $10 million. They spent their winters skiing in Switzerland and their summers sailing off Cape Cod. They had two lovely daughters and a large circle of wealthy friends. Everyone presumed they had the perfect marriage, but in fact they longed for a divorce. Why?

"Because money is not a cure-all for problems in a relationship," said Joanna T. Steichen, a New York City psychotherapist and author of "Marrying Up: An American Dream and Reality" (Rawson Associates, 1983). "Like every other couple, the very wealthy have to address such issues as trust, commitment and dependency on their mates."

Dr. Roy J. Grinker Jr., a Chicago psychoanalyst who has studied the emotional problems of the extremely rich, agrees.

"The very rich have many of the same problems in marriage as the very poor," he said. "They have difficulty trusting and committing themselves to a mate and communicating their needs and resolving differences."

In some cases, the very rich have marital difficulties because they have had few if any models of successful marriages, experts said. They don't know how married couples work out differences because they spend so much time alone as children or with servants.

"Even worse," Grinker said, "is that many rich people never learn to trust anyone. They never got close to their parents because the parents were too busy with their work or social lives. Sometimes a servant tried to meet their emotional needs, but when this happened, the parents got jealous and replaced him."

When they grow up, the very rich sometimes repeat this destructive pattern in their search for a mate. Some of them bury themselves in work or endless parties. If they do find someone suitable, they often reject the person for flimsy reasons because they are afraid the person will find something wrong with them and eventually reject them.

Boredom and social pressures lead many wealthy people to marry. Such marriages are often doomed to failure because the mates expect their partners to fulfill all their needs, especially if they don't have jobs or serious avocations.

That is what the Boston couple discovered when they consulted a therapist. The husband had never tried to find a job because he believed that a life of skiing and sailing would be more interesting. His wife resented his forcing her to accompany him on his frequent trips because she wanted to spend more time at home with their school-age children and to pursue a master's degree. Their marriage improved when the husband started a small business and made friends with others in his field. The wife also was happier because she had some time for her interests.

Marital discord can be severe in cases where one mate is very rich and the other is not. Conflicts over such things as whether the wife should work outside the home and how much the couple should spend on dining out can occur because each partner has different expectations of what is acceptable behavior based on their backgrounds.

Women who have inherited wealth sometimes are afraid to tell their new husbands how much they have, according to Tracy Gary, founder of the Women's Foundation, an organization of 400 women with inherited wealth in the San Francisco Bay area.

"Money raises a lot of issues, like envy and control, which many couples don't like to face," she said. "Wealthy women are especially vulnerable because they sometimes don't have the expertise they need to make good financial decisions, and this can put a strain on the marriage, especially if the man resents the way the money is being spent."

Despite the drawbacks, many people still dream of marrying someone richer than they are. Men as well as women fall into this category, according to Steichen, the New York City psychotherapist.

"There have always been a lot of ambitious men who want to move up and do so by marrying a rich woman," she said. "Some of these marriages are disasters because the man is looking toward his rich wife to solve his problems of lack of self-esteem by giving him a ticket to wealth and social position. On the other hand, these marriages can be happy for both partners if they have similar interests, values, respect and affection for each other. Then the money is only a happy addition to their lives."

NYSE Most Actives

	Vol.	High	Low	Last	Chg.
Unocal	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Dow Jones Bond Averages

	Prev. Close	Today Noon
Bonds	[illegible]	[illegible]
Utilities	[illegible]	[illegible]
Industrials	[illegible]	[illegible]

Dow Jones Averages

	Previous Open	High	Low	Close	Today 3 P.M.
Indus	1256.29	1264.24	1248.34	1259.05	1257.77
Trans	590.68	594.44	584.59	590.79	587.02
Util	154.03	154.65	153.16	153.82	154.00
Comp	510.22	513.28	504.50	510.79	508.33

NYSE Index

	Previous High	Low	Close	Today 2 P.M.
Composite	103.71	103.35	103.71	103.60
Industrials	119.03	118.58	119.03	118.88
Transp.	96.46	96.04	96.36	96.07
Utilities	54.90	54.74	54.90	54.86
Finance	107.02	106.29	107.02	107.08

Previous NYSE Diaries

	Close	Prev.
Advanced	690	514
Declined	808	1001
Unchanged	507	495
Total Issues	1997	2010
New Highs	49	42
New Lows	8	8
Volume up	34,903,940	
Volume down	38,179,519	

Odd-Lot Trading in N.Y.

	Buy	Sales	*Sh'rt
April 4	181,271	439,838	2,075
April 3	182,738	437,721	4,645
April 2	194,514	490,195	5,910
April 1	189,436	519,406	10,546
March 29	167,449	[illegible]	5,230

*Included in the sales figures

Monday's NYSE 3p.m.

Vol. at 3 P.M.	64,180,000
Prev. 3 P.M. vol.	[illegible]
Prev consolidated close	[illegible]

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.
Via The Associated Press

Previous AMEX Diaries

	Close	Prev.
Advanced	236	218
Declined	291	329
Unchanged	260	247
Total Issues	787	794
New Highs	10	15
New Lows	10	7
Volume up	2,209,185	
Volume down	2,932,840	

Standard & Poor's Index

	Previous High	Low	Close	Today 2 P.M.
Industrials	199.72	198.60	199.63	199.34
Transp.	153.62	152.25	152.94	152.47
Utilities	80.38	80.17	80.32	80.27
Finance	20.45	20.32	20.43	20.43
Composite	179.13	178.29	179.03	178.80

NASDAQ Index

	Close	Noon	Week Ago	Year Ago
Composite	277.44	277.11	278.17	283.19
Industrials	292.48	292.93	294.25	304.45
Finance	331.49	—	329.32	330.59
Insurance	325.32	—	324.54	322.63
Utilities	268.49	—	259.54	262.59
Banks	255.22	—	253.59	249.36
Transp.	254.44	—	254.58	261.19

AMEX Sales

3 P.M. volume	4,660,000
Prev. 3 P.M. volume	5,890,000
Prev. cons. volume	7,220,000

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
BAT	3931	4¼	4⅛	4¼	
WangB	2185	18¾	18⅝	18⅝	— ⅛
HouOT	1959	3⅝	3⅛	3¼	— ⅛
IntThr n	1490	10¾	9	9¾	+ ½
Texcon	1223	3⅛	2⅝	2⅝	— ½
EchoB g	1172	11¾	11¾	11¾	
Astrotc	1127	1⅞	1⅜	1⅜	
InstSy	1112	2	2	2	
EvrJ A	904	8⅝	8½	8½	— ¼
DataPd	882	13⅞	13⅝	13⅞	+ ¼
GlfCd g	813	14½	13⅞	14½	+ ⅜
DomeP	746	2½	2⅜	2⅜	+ ⅛
NYTime	742	43	42⅝	42⅝	+ ¼
Falconf	631	1⅞	1¾	1⅞	+ ⅛
Hasbr s	624	28¼	28	28⅛	+ ¼

AMEX Stock Index

Previous High	Low	Close	Today 2 P.M.
227.07	226.13	226.85	227.41

Market Down After Weak Rally

Compiled by Our Staff From Dispatches

NEW YORK — The stock market turned downward Monday, pulling back after a weak early advance.

The Dow Jones average of 30 industrials, up about 3 points in early trading, was off 1.54 at 1,257.51 about two hours before the close.

Losers held an 8-7 lead over gainers among New York Stock Exchange-listed issues.

Although prices in tables on these pages are from 3 P.M. in New York, for time reasons, this article is based on the market at 2 P.M.

Volume on the Big Board came to 51.65 million shares with two hours to go.

The NYSE's composite index dropped .11 to 103.60. At the American Stock Exchange, the market value index was up .56 at 227.41.

The market attracted some buyers in the waning minutes last Thursday when the White House announced agreement with Senate Republicans on budget proposals aimed at reducing the U.S. federal deficit.

But brokers said many traders were guarded in their appraisal of that news. They said much remained to be done in Washington before investors generally were likely to become convinced that significant progress is being made on the deficit.

The market is also faced in the next few weeks with corporate earnings reports for the first quarter.

Analysts lately have been scaling down their estimates for a good many companies, and warning that disappointing profit figures may be common, with U.S. economic growth having been a bit less robust than had been expected for the January-March period.

Unocal Corp. was leading the active list and climbed ⅞ to 49⅝. A group led by T. Boone Pickens, chairman of Mesa Petroleum Co., said it began a tender offer for 64 million Unocal shares at $54 apiece.

Cox Communications Inc. jumped 15 to 77¼. The family-owned Cox Enterprises said it would make a $75-a-share offer for all the Cox Communications stock in public hands.

Earlier, Pennsylvania Power & Light was the second-most active issue — after Unocal — on the NYSE; off ¼ to 24⅝.

International Business Machines Corp. followed, off 1½ to 125½. Among other technology issues, Digital Equipment Corp. was off ¼ to 101⅞, Motorola Inc. up ⅛ to 32½ and Hewlett-Packard Co. off ¼ to 33⅝.

American Telephone & Telegraph Co. was unchanged at 20⅝ in active trading. The company filed with the Federal Communications Commission last week, opposing changes in the assignment of default telephone traffic. Competitors MCI Communications Corp. and GTE Corp.'s Sprint division said in separate filings that the current system gives AT&T an unfair advantage.

Allied Corp. was up 2½ to 38⅞.

CBS Inc. was off 3⅛ to 107⅞, after reporting first-quarter net of $16.7 million compared with $38.9 million in the year-ago quarter.

(AP, UPI)

To Our Readers

Because of the seven-hour time difference between New York and Paris until April 27, the New York and American Stock Exchange tables in this edition contain information from 3 P.M. New York time. Over-the-counter stock prices are from 2 P.M. New York time. There are no Monday Canadian stock prices available.

We regret the inconvenience, which is necessary to meet distribution requirements. All editions will again carry closing prices and indexes after April 27, when Daylight Savings Time begins in the United States.

(Continued on Page 14)

FUTURES AND OPTIONS

May Cocoa Contract Offers High-Velocity Price Swings

By ELIZABETH M. FOWLER

New York Times Service

NEW YORK — Commodity futures speculators always like a fast-moving, volatile market. They do not have to look far these days for a cliff-hanger that has been offering a fast swing for the money. It is the May cocoa futures contract, traded on the Coffee, Sugar and Cocoa Exchange in New York, which has swung between a contract high of $2,570 a metric ton and a contract low of $1,998 a metric ton.

Last Thursday, the closing price was $2,321, down a mere $1 from $2,322 the previous day. On Wednesday, there had been a $33 decline. Most commodity markets were closed Friday. Deirdre Macleod, tropical products analyst for Prudential-Bache Securities Inc., last week called it "a charming, capricious" market.

Lack of accurate crop statistics from West Africa underlies volatility.

"The market had gone up almost 500 points in three weeks in terms of the May contract," she pointed out. This means a jump of $5,000 a contract, since each contract covers 10 metric tons.

There is some speculation that a major dealer in New York, an affiliate of a London-based commodity firm, recently bought many of the May contracts, forcing prices sharply higher, to a premium above prices in European markets.

The result has been a rush by foreign groups to ship cocoa to the United States for the favorable prices. Also, sellers from outside the United States have wanted to take advantage of the high value of the dollar in relation to other currencies.

If the dealer with the dominant position in the market does not take delivery, though, there could be a major sell-off, Miss Macleod said.

DENNIS C. Koutras, vice president and director of commodity research at Drexel Burnham Lambert Inc., thinks that some of the recent volatility comes from "nearby tightness" as a result of West African shipping delays, and that there will be an orderly liquidation of the May delivery.

"The market is sensitive on the upside now and has limited potential," Mr. Koutras said. It could move in a range of $2,050 to 2,450 a metric ton, he said, adding that the May contract price "has started to decline."

The first delivery notice day for the contract is scheduled for April 17, and the contract expires in mid-May.

Both Mr. Koutras and Miss Macleod said that once the well-squeezed May contract expired, prices definitely would head downward. Miss Macleod is forecasting a possible bear market in the late summer as the new crop year approaches.

In recent years, the cocoa market has fallen out of step with some of the leading candy makers, such as Hershey Foods Corp.

Miss Macleod pointed out that cocoa importers and dealers tend to be sellers in the market against their actual purchases of cocoa, while the chocolate makers often buy contracts to lock in prices.

But in recent years there has been a third kind of player — money managers attracted by the speculative aspect of the market. Using computer analysis for fast research, they trade actively, probably helping to exaggerate the price swings.

But a more fundamental reason for the volatility is a lack of accurate statistics, Miss Macleod noted, especially on crop figures for Ghana and Nigeria. Cocoa smuggling in Africa also

(Continued on Page 15, Col. 6)

Estimates Of Profits Lowered

U.S. Analysts Less Optimistic

By Nicholas D. Kristof

New York Times Service

NEW YORK — The strong dollar and signs of weakness in the U.S. economy are forcing economists and stock market analysts to cut their estimates of corporate profits for the first quarter and for the year.

Although almost all experts say corporate profits will be at least as high this year as they were last year, they are steadily cutting initial earnings projections that they say were too optimistic.

All kinds of companies have been affected, and experts say the estimates probably will continue to be cut, sharply in some cases. The effect is already showing in a listless stock market.

"Analysts are cutting their estimates, and they seem to be accelerating the rate at which they are cutting their estimates," said Stanley Levine, a vice president of the brokerage firm Lynch, Jones & Ryan in New York. The firm's Institutional Brokers Estimate System monitors earnings forecasts from 110 brokerages on 3,300 stocks.

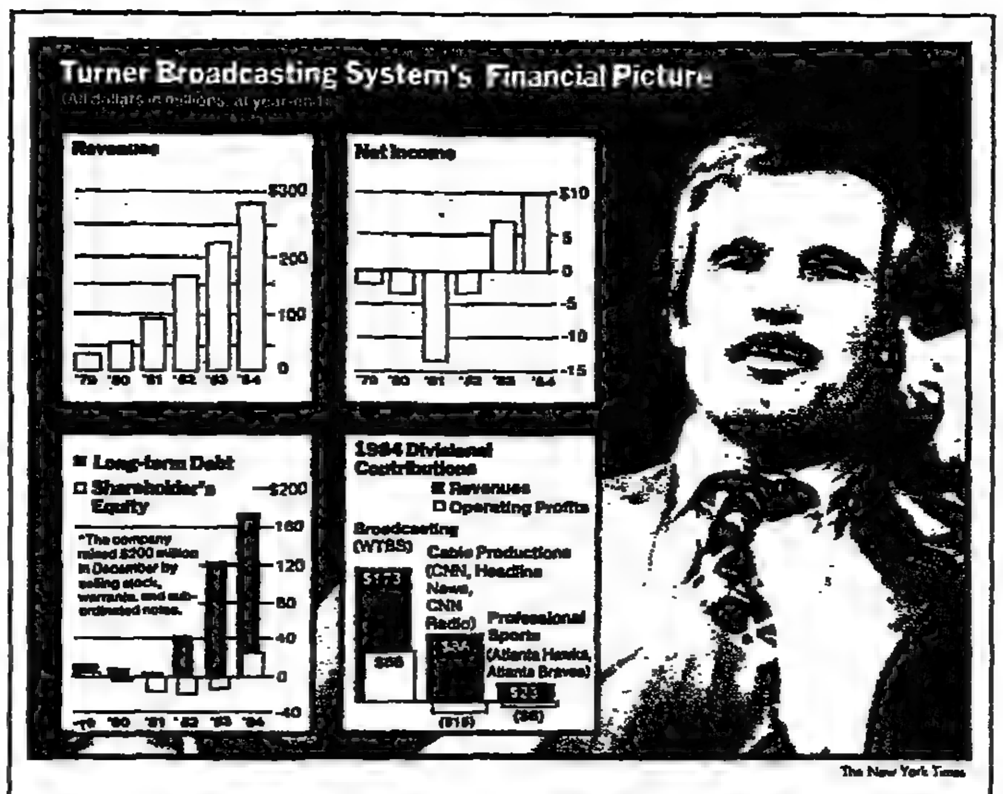
In February, for example, analysts on average expected Intel Corp. to earn 30 cents a share in the first quarter, which ended March 31, according to Zacks Investment Research in Chicago. The most recent forecasts are for Intel to earn only 16 cents a share in the quarter.

For United States Steel Corp., the drop in estimates was from 75 cents to 43 cents. Caterpillar Tractor Co. dropped from a loss of 3 cents to a loss of 37 cents.

Of course, most companies have not had their estimates of earnings cut so dramatically; reductions of a few cents are more common.

Though the estimates are being cut, they may still be above the previous earnings, or only a little below. Intel, for example, earned 20 cents a share in the fourth quar-

(Continued on Page 17, Col. 1)



The New York Times

Ted Turner, 'Mouth of the South,' Likes to Take On the Impossible

By Daniel F. Cuff

New York Times Service

NEW YORK — Ted Turner has often talked about his ambition to own a television network. And for a month now, the broadcast entrepreneur from Atlanta has been rumored to be interested in taking over CBS. But so far he has made no move, and many analysts think he has no chance.

A Turner takeover of CBS "is so far from being a realistic deal it's almost impossible," said Bonnie M. Cook, an analyst with J.C. Bradford & Co. of Nashville, Tennessee.

CBS Inc. reported profit in the first quarter of 1985 slid 57 percent from a year earlier. Page 15.

But she added, "That's the whole point with Ted; he's known for doing things that can't be accomplished."

On the fundamentals, such a purchase looks hopeless, most analysts say. They question where Mr. Turner would get the $4 billion or so to buy the network.

The most likely source would seem to be Mr. Turner's company, Turner Broadcasting Systems Inc. But the company has little extra cash on hand and existing loan agreements may limit additional borrowing. Furthermore, although the company has reported profits for two years, it is still struggling in many of its ventures.

And yet, Mr. Turner has the reputation of being able to pull things off. A few years ago, before his enterprises gained success, a television executive remarked, "Ted Turner is a possibility for anything."

In 1984, Turner Broadcasting reported revenue of $281.7 million, up from $224.5 million in 1983. Net was $10 million, or 49 cents a share, up 42.9 percent from $7 million, or 34 cents a share, in 1983.

Mr. Turner owns 80 percent of Turner Broadcasting, whose stock is traded over the counter. Last December, Turner Broadcasting raised $200 million through a combination of stock, bonds and warrants.

The company now has about $60 million in cash and a credit line of $190 million through a consortium headed by Manufacturers Hanover Trust Co. of New York.

Thus, it would seem, Turner Broadcasting itself does not have the financial clout to move against CBS. But analysts say Mr. Turner, at the head of a group of investors with deep pockets, just might.

One rumor had it that American Express Co. would back Mr. Turner, but American Express denied it. MCI Communications Inc. was also said to have been asked to come in on a Turner bid for

(Continued on Page 17, Col. 1)

Pickens Offers $3.46 Billion for Unocal Control

Compiled by Our Staff From Dispatches

NEW YORK — A group led by T. Boone Pickens made a $3.46-billion offer Monday for 64 million shares of Unocal Corp., which would give the group 51 percent of the oil company's shares.

The group, called Mesa Partners II, said it is offering $54 for each of the Unocal shares. It said the offer would last until May 3, according to an announcement in The New York Times.

Unocal closed at $49.125 per share, off 12.5 cents, on the New York Stock Exchange on Thursday, the last day of trading before the Easter weekend.

Mesa Partners II currently owns 23.7 million shares, or 13.6 percent, of Unocal shares outstanding.

Mr. Pickens declined to comment on the group's plan.

Barry Lane, a spokesman for Unocal, based in Los Angeles, also would not comment, saying that Unocal officials did not have details of Mesa plans.

Mr. Pickens's group has gradually increased its stake in Unocal in recent months, fueling speculation that he had chosen the company to be the latest in a string of takeover targets.

Industry analysts were not surprised by news of Mr. Pickens's offer. They said they expected Unocal to vigorously resist a takeover.

"The figure of $54 is a very sensible number if you are going to buy out Unocal," said Sanford Margoshes, an analyst with Shearson Lehman Brothers. "From that standpoint Mr. Pickens is on target. However, I think the response of the management and the board of directors will be that it is woefully inadequate, and I believe they will make a very determined effort to resist takeover."

Unocal's chairman, Fred L. Hartley, has repeatedly clashed with Mr. Pickens over management philosophy and strategy for the oil industry.

At a congressional hearing last week, the two traded barbs, with Mr. Hartley declaring at one point that "Mr. Pickens has somehow created a speculative frenzy that has convinced his camp followers that there's easy money to be made in attacking oil companies, and to hell with tomorrow."

Unocal is the holding company for Union Oil Co. of California, whose gasoline and lubricants are sold under the orange and blue "76" label.

Besides its domestic production, the company has overseas operations in Indonesia, the Netherlands, Thailand and Canada. It also makes specialty chemicals and fertilizers.

The company had revenue of $11.5 billion last year.

But like other oil companies, facing excess worldwide production and decreased demand, the company has struggled. Its earnings declined for the first time in eight years in 1983, only to rebound 12 percent last year to $700.4 million, or $4.03 a share.

And, like many oil companies, its stock has been trading at below asset value.

Tom Tracey, an analyst with John S. Herrold Inc. in Greenwich, Connecticut, has estimated that the company has assets worth about $76 a share.

Unocal's stock was trading in the mid-$30s late last year, before Mr. Pickens began building his stake.

In February, Mr. Pickens said he might try to take over the company and asked it to postpone its April 29 annual meeting so he could propose a rival slate of directors. The company refused.

Under Mr. Hartley's leadership, Unocal has gained a reputation for often moving against prevailing industry trends and has concentrated on long-term investment.

It has been among the most successful of the major petroleum companies at discovering domestic oil and gas to replenish reserves, for instance, and last year spent $1.31 billion on exploration worldwide.

(NYT, AP)

'Thatcherism' Selling Well Abroad, Hard to Market at Home

By Barnaby J. Feder

New York Times Service

LONDON — Margaret Thatcher is having more success persuading the international financial markets than the average Briton that she has her country on the right track economically.

As Mrs. Thatcher approaches the halfway point in her second term as Britain's prime minister, the domestic popularity of the conservative economic policy known as Thatcherism has plunged.

By contrast, the last three weeks have seen more than a 10-percent jump in the British pound's value against the dollar.

International investors made the pound their first refuge when the Ohio banking crisis and concerns about slower-than-expected U.S. growth pricked their confidence in the dollar last month.

Mrs. Thatcher and her supporters have argued that Britain's economic performance under her policies has inspired the pound's new vitality in foreign-exchange markets.

To be sure, Mrs. Thatcher's political opponents and some skeptics in the City of London have attributed the gain in the pound to the level of Britain's interest rates. They are considerably more than double those available to investors in the Deutsche mark and other major currencies.

But still others say that the response to Britain's latest budget demonstrated that something more than interest rates was having an effect.

The budget, which covers the 12 months that began last Monday, committed the government to maintaining Mrs. Thatcher's basic policies. Its introduction last month kicked off some of the pound's sharpest gains.

"The positive market reaction in the 48 hours after the budget was an obvious vote of confidence," said Paul Neild, chief economist at the brokerage house of Phillips & Drew.

As Mrs. Thatcher and her backers see it, the attractions include Britain's record of four consecutive years of economic growth, an unwavering commitment to controlling inflation and the government's continuing campaign to reduce state involvement in the private sector.

Productivity, investment, employment and exports are all rising and the general performance compares favorably with that in other major European countries by many measures.

Thatcher supporters believe that many investors were impressed — and others were at the least relieved — by the cautious budget introduced last month by the chancellor of the exchequer, Nigel Lawson.

It committed Britain to spending restraint despite pleas from industrialists, trade unions, local governments and politicians, including many in Mrs. Thatcher's Conservative Party, to follow the lead of the United States, which has cut taxes and turned to borrowing to finance its continued spending. Its deficits have spurred economic growth.

President Ronald Reagan's policy rests on a huge spending deficit financed by the flow of foreign money into the dollar. Like most European economists and politicians, Mrs. Thatcher and her advisers agree with Paul A. Volcker, chairman of the Federal Reserve, that the United States is "living on borrowed money and borrowed time."

However, even if the U.S. economy proves dynamic enough to support such a policy indefinitely, none of the European nations could count on foreign investors to support similar deficit-financed spending binges.

Mr. Lawson's budget underscored Mrs. Thatcher's intention to keep Britain on a sound financial footing by putting her government on target to reduce public borrowing to 2 percent of total economic output — the lowest figure among major industrial countries. Britain borrowed 3.1 percent of total economic output in 1984.

The budget, however, dismayed the many Britons who have called for deficit spending programs to reduce the country's record unemployment, which is 13 percent by the government's measure and higher by the benchmarks cited by its opponents.

The government believes that its policies have succeeded in creating enough growth to reduce unemployment.

The problem, it contends, is that rising real wages, minimum-wage rules, overregulation, restrictions imposed by trade unions on manning and other rigidities affecting the supply side of the economy have prevented expanding businesses from hiring new workers at prices they can afford.

The economy is indeed producing more jobs, but not enough to prevent unemployment from also rising.

France to Scrap Car-Price Limits

Reuters

PARIS — The French government will abolish controls on car prices July 1, Finance Minister Pierre Bérégovoy said.

Mr. Bérégovoy, in an interview in the magazine Le Nouvel Observateur, described the decision as "a good stimulant for our industry." Edith Cresson, minister of industry, had said in an interview with the newspaper Libération that the move would probably come in June.

The ceiling on car-price increases, set at about 5 percent this year, has been cited by both state-owned Renault and by Peugeot SA as a cause of heavy losses in the past two years. Prices of cars have been controlled in France since shortly after the Socialist government was elected in May 1981.

Currency Rates

Late interbank rates on April 4/8, excluding fees.

Official fixings for Amsterdam, Brussels, Frankfurt, Milan, Paris. New York rates at 4 P.M.

	$	£	D.M.	F.F.	I.L.	Gldr.	B.F.	S.F.	Yen
Amsterdam	3.561	4.302	112.87 *	36.97 *	0.1772 *	—	5.614 *	135.28 *	140.14 y
Brussels(a)	63.4975	76.55	20.125	6.596	3.1520 *	17.84	—	23.77	25.03 *
Frankfurt	3.156	3.804	—	32.76 *	1.5675 x	88.62 *	4.971 *	118.81 *	1.2425 *
London (b)	1.1955	—	3.794	11.5818	2,408.90	4.2745	76.175	3.21	303.753
Milan	2,019.20	2,418.00	637.25	209.14	—	567.10	31.644	749.00	7.897
New York(c)	—	1.205	3.16	9.635	2,010.00	3.567	63.59	2.645	254.00
Paris	9.635	11.617	3.0520	—	4.803 x	2.706	15.171 *	3.596	3.793 *
Tokyo	255.975	304.73	80.26	26.28	12.63 *	71.06	398.70 *	95.28	—
Zurich	2.6725	3.2257	84.775 *	27.755 *	0.1331 *	75.08 *	4.21 *	—	1.0524 *
1 ECU	0.7086	0.5876	2.2353	6.8225	1,422.18	2.523	44.9648	1.8941	179.987
1 SDR	0.983111	0.814354	3.09954	9.46264	1,976.43	3.4973	62.3616	2.6247	249.487

Dollar Values

$ Equiv.	Currency	Per U.S.$	$ Equiv.	Currency	Per U.S.$	$ Equiv.	Currency	Per U.S.$
0.655	Australian $	1.5267	0.9921	Irish £	1.008	0.4474	Singapore $	2.235
0.0448	Austrian schilling	22.32	0.0011	Israeli shekel	886.50	0.507	S. African rand	1.9722
0.0156	Belgian fin. franc	63.90	3.308	Kuwaiti dinar	0.3022	0.0012	S. Korean won	860.50
0.7281	Canadian $	1.3735	0.3967	Malay. ringgit	2.5245	0.0057	Span. peseta	175.65
0.0876	Danish krone	11.42	0.1096	Norw. krone	9.11	0.1092	Swed. krona	9.16
0.1524	Finnish markka	6.56	0.0545	Phil. peso	18.353	0.0253	Taiwan $	39.58
0.0074	Greek drachma	135.40	0.0051	Port. escudo	171.00	0.0362	Thai baht	27.635
0.1282	Hong Kong $	7.80	0.2772	Saudi riyal	3.607	0.2722	U.A.E. dirham	3.6735

£ Sterling: 1.2136 Irish £

(a) Commercial franc (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar (*) Units of 100 (x) Units of 1,000 (y) Units of 10,000

N.Q.: not quoted; N.A.: not available.

Sources: Banque du Benelux (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); IMF (SDR); Banque Arabe et Internationale d'Investissement (dinar, riyal, dirham). Other data from Reuters and AP.

Interest Rates

Eurocurrency Deposits

April 4

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	ECU	SDR
1M.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] - 10	[illegible]
2M.	[illegible] - 9	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3M.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible] - 11	10 - [illegible]	[illegible]
6M.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1Y.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Sources: Morgan Guaranty (dollar, DM, SF, Pound, FF); Lloyds Bank (ECU); Reuters (SDR).

Asian Dollar Rates

April 8

1 mo.	2 mos.	3 mos.	4 mos.	1 year
[illegible]	[illegible] - 9	9 - [illegible]	[illegible]	10 [illegible]

Source: Reuters.

Key Money Rates

United States	Close	Prev.
Discount Rate	8	8
Federal Funds	8½	8½
Prime Rate	10½	10½
Broker Loan Rate	9½	9½
Comm. Paper, 30-179 days	8.65	8.75
3-month Treasury Bills	8.14	8.08
6-month Treasury Bills	8.60	8.58
CD's 30-59 days	8.15	8.23
CD's 60-89 days	8.20	8.30

West Germany	Close	Prev.
Lombard Rate	6.00	6.00
Overnight Rate	Closed	5.90
One Month Interbank	—	5.90
3-month Interbank	—	6.15
6-month Interbank	—	6.25

France	Close	Prev.
Intervention Rate	10½	10½
Call Money	Closed	10½
One-month Interbank	—	[illegible]
3-month Interbank	—	10½
6-month Interbank	—	[illegible]

Britain	Close	Prev.
Bank Base Rate	13-13¼	13-13¼
Call Money	Closed	13
91-day Treasury Bill	—	[illegible]
3-month Interbank	—	13 5/16

Japan	Close	Prev.
Discount Rate	5	5
Call Money	[illegible]	[illegible]
60-day Interbank	[illegible]	[illegible]

Sources: Reuters, Commerzbank, Credit Lyonnais, Lloyds Bank, Bank of Tokyo.

Gold Prices

	A.M.	P.M.	Ch'ge
Hong Kong	317.15	316.45	— 4.60
Luxembourg	316.50	—	— 4.50
Paris (12.5 kilo)	316.47	317.97	— 3.33
Zurich	316.85	317.50	— 3.25
London	317.00	316.75	— 4.50
New York	—	N.A.	—

Official fixings for London, Paris and Luxembourg, opening and closing prices for Hong Kong and Zurich, New York Comex current contract. All prices in U.S.$ per ounce.

Source: Reuters.

Markets Closed

Many European and Asian financial markets were closed Monday for Easter Monday. However, Singapore and Tokyo markets were open, as were North American markets.

World Oil-Consumption Estimate Is Lowered

Compiled by Our Staff From Dispatches

PARIS — Worldwide oil purchases from the 13 members of the Organization of Petroleum Exporting Countries in 1985 will drop by more than 500,000 barrels a day from 1984, the International Energy Agency forecast Monday.

The market share of the OPEC countries will be lower, as non-OPEC producers capture a bigger share, the Paris-based organization said in its latest monthly Oil Market Report.

Total world demand for crude shipped by OPEC is expected to drop to 16.6 million barrels a day from last year's 17.1 million.

The IEA reported a provisional drop of 2 percent in oil demand in the first quarter of 1985 compared with the corresponding quarter a year earlier. Its last estimate, a month ago, had put the decline in first-quarter consumption at 1 percent.

IEA experts also adjusted their oil-consumption projections for the last three months of 1984 to show a drop of 2.3 percent compared with the corresponding period in 1983. A month ago, the IEA estimated a consumption decline of only 0.7 percent.

The latest IEA report showed that the agency believed it had substantially overestimated oil consumption in Western industrialized nations over the past six months, industry sources said.

The IEA cited mild weather and a switch to alternative fuels as the main reasons for lowering its oil-consumption estimates.

Expectations of lower prices probably also led users to draw on stocks and put off purchases between October 1984 and the end of January 1985, the IEA report said.

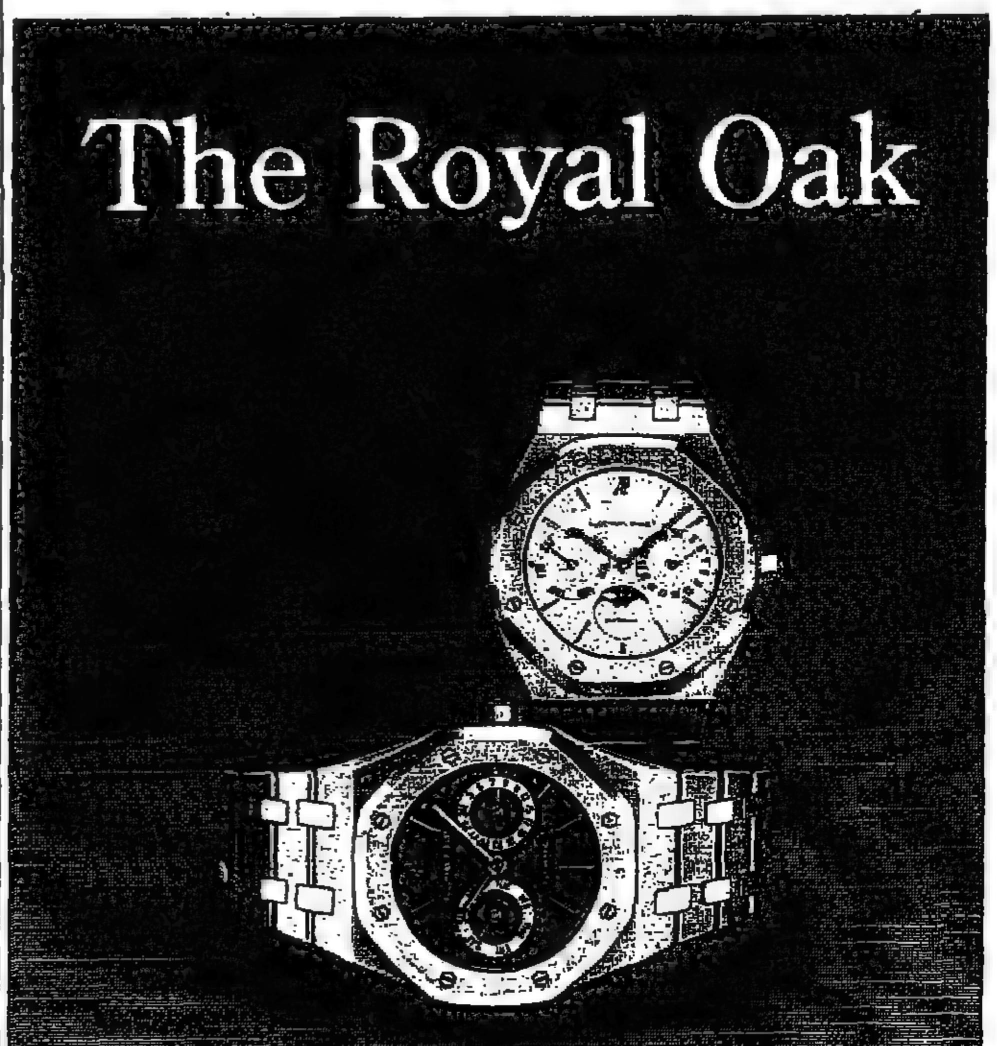
It said oil consumption by the 24-nation Organization for Economic Cooperation and Development was 35.7 million barrels per day in the first quarter of 1985. This was 300,000 barrels per day less than estimated a month ago.

Fourth-quarter 1984 consumption by the OECD was revised down to an estimated 34.6 million barrels a day. In the fourth quarter of 1983, OECD consumption was running at 35.5 million barrels.

Oil industry analysts said the figures were not encouraging for OPEC in its efforts to influence world oil prices.

OPEC cut its crude oil production ceiling to 16 million barrels per day from 17.5 million last October and adjusted price differentials between light and heavy crude oils in January this year.

This followed mounting signs of excess production and weaker oil demand worldwide, a trend first seen in mid-1984. *(Reuters, AFP)*



Monday's NYSE 3p.m.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

(Continued from Page 12)

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls. 100s	High	Low	3 P.M. Quot.	Chge
37	17½	Pandck n	.20	1.2	15	25	15⅝	15⅝	15⅝	— ⅛
39⅞	31	PanhEC	2.30	6.0	10	498	38⅝	37⅞	38½	+ ⅜
5⅝	3	PantPr			18	227	5⅝	5½	5⅛	— ⅛
17⅞	12	Paprcft	.80	4.8	13	25	16⅝	16⅝	16⅝	— ⅛
18⅞	10⅛	Pardyn			28	395	13⅞	13½	13⅞	+ ⅜
21⅛	12½	ParkEs			11	119	15⅜	14⅞	15¼	+ ⅛
12⅝	5⅞	ParkDrl	.16	2.5		314	6⅝	6½	6½	— ⅛
39⅞	25¼	ParkH	1.12	3.5	19	652	32	30½	31⅝	— ⅜
18½	12⅝	ParkPn	.52	2.8	21	42	18⅛	18⅛	18⅛	
2⅞	1½	PatPtrl			13	173	2⅛	2	2	— ⅛
17½	11⅛	PayNP	.60	4.7	11	100	13	12⅞	12⅞	
21⅛	13½	PayCsh	.16	.8	18	134	19⅝	19½	19⅝	+ ⅛
11⅛	6⅛	Peabdy	.20	2.8		60	7⅜	7⅛	7⅛	— ⅛
1⅞	⅞	Penda				144	⅞	⅞	⅞	
55⅞	40⅞	PenCen			12	79	51⅞	51½	51⅝	+ ⅛
55⅞	44⅞	Penney	2.36	5.0	8	655	47⅝	47⅛	47½	— ⅛
27⅞	19½	PaPL	2.56	10.3	8	10015	25	24½	24⅞	— ½
36½	30½	PaPL pf	4.40	12.9		100z	34½	34⅛	34⅛	+ ⅛
37⅞	30	PaPL pf	4.50	12.9		100z	35	34½	35	
27⅞	23⅛	PaPL dpr	3.42	12.7		9	26⅞	26⅝	26⅞	+ ⅛
24⅞	20	PaPL dpr	2.90	11.9		15	24⅝	24⅛	24⅝	+ ⅛
64⅞	56½	PaPL pr	8.40	12.0		20z	64⅝	64⅝	64⅝	— ⅛
26⅝	22⅞	PaPL dpr	3.25	12.6		14	25⅞	25⅝	25⅞	+ ¼
29⅞	25¼	PaPL dpr	3.75	13.0		9	28⅞	28⅝	28⅞	
85½	65¼	PaPL pf	9.24	10.9		240z	85	84½	84⅝	— ⅜
96	81⅛	PaPL pr	11.00	12.0		260z	91½	91	91½	+ ⅛

مكتبة الأصيل

Company Earnings

Revenue and profits, in millions, are in local currencies unless otherwise indicated

Malaysia

Dunlop Estates

Year	1984	1983
Revenue	260.51	133.89
Pretax Net	58.34	29.86

United States

Amer. Greetings

4th Quar.	1985	1984
Revenue	230.8	213.9
Net Inc.	20.99	16.11
Per Share	0.66	0.52
Year	**1985**	**1984**
Revenue	945.6	839.9
Net Inc.	74.37	59.46
Per Share	2.25	1.91

Carolina Freight

1st Quar.	1985	1984
Revenue	110.1	98.0
Net Inc.	1.80	1.44
Per Share	0.20	0.30

CBS

1st Quar.	1985	1984
Revenue	1,120.	1,150.
Net Inc.	16.7	38.9
Per Share	0.56	1.31

1984 net includes loss of $2.1 million from discontinued operations.

Florida Nat'l Bks

1st Quar.	1985	1984
Oper Net	10.8	9.4
Oper Share	0.81	0.74

1985 net excludes gain of $41.3 million on sale. Per share results adjusted for 3-for-2 stock split.

Union Nat'l

1st Quar.	1985	1984
Net Inc.	4.17	3.86
Per Share	1.06	0.97

BUSINESS ROUNDUP

CBS's Net Sank 57% in First Quarter

The Associated Press

NEW YORK — CBS Inc. said Monday that its first-quarter net sank 57 percent from a year earlier on a 2-percent drop in revenue.

CBS said last month that its 1985 earnings would be hurt by its $400-million acquisition of Ziff-Davis Publishing Co.

The acquisition would reduce the year's profit by less than $1 a share, it said.

Net for the first three months of 1985 was $16.7 million, or 56 cents a share, compared with $38.9 million, or $1.31 a share, in the first quarter a year ago.

Three-month revenue slipped to $1.12 billion from $1.15 billion.

CBS is reportedly the target of a takeover attempt by Ted Turner, the broadcasting magnate, and is under attack from a conservative group, Fairness in Media, which asserts that its news reporting is biased.

Explaining the company's performance, Thomas H. Wyman, chairman and chief executive of CBS, said Monday that, "While our first-quarter results are lower than those of a year ago, they are slightly better than our budget and fit with our expectations of a strong performance in 1985."

The broadcasting division performed solidly, Mr. Wyman said, with profit up 9 percent on a gain in revenue of 3 percent.

A decline in the records division was attributed to the absence this year of the strong sales in the first quarter of 1984 from the release of Michael Jackson's "Thriller" album, Mr. Wyman said. Profit in that group fell 56 percent as revenue dropped 17 percent.

A poor performance by the publishing division reflected charges associated with the Ziff-Davis acquisition, which was completed Feb. 4, Mr. Wyman said. Publishing profit fell 30 percent while revenue rose 22 percent.

Mr. Turner was preparing an attempt to acquire CBS and had received financial commitments of $100 million from MCI Communications Corp. and William E. Simon, a former U.S. secretary of the Treasury, The New York Times reported last week.

Separately, Fairness in Media said that although it would not mount a proxy battle at the CBS annual shareholder meeting in Chicago on April 17, it might seek a special meeting in the future.

The group, affiliated with Senator Jesse Helms, Republican of North Carolina, has said it would continue its battle to gain control of CBS to end what it calls a liberal bias in the network's news reporting.

However, CBS, which has consistently and strongly rejected the idea of a merger or takeover of the network, changed its bylaws last week to make it more difficult to call a special meeting.

Family Offers $1.3 Billion To Buy Cox Media Firm

The Associated Press

ATLANTA — The Cox family announced Monday a $1.3-billion tender offer for the 55 percent of Cox Communications Inc. it doesn't already own.

Cox Enterprises Inc. said it would pay $75 a share, according to Garner Anthony, its chairman and chief executive.

Cox common shares closed at $62.25, up $1, on the New York Stock Exchange on Thursday, the last day of trading before the Easter weekend.

Cox Enterprises is a group newspaper owner, which is privately held by Barbara Cox Anthony of Honolulu and Anne Cox Chambers of Atlanta.

The offer is effective Friday, Mr. Anthony said.

Cox Enterprises owns or controls 40.2 percent of the 28.2 million common shares outstanding of Cox Communications.

In addition, other members of the Cox family, officers and directors of both companies, business associates and related interests, own 5.2 percent.

Cox Enterprises publishes 21 daily newspapers, including The Atlanta Constitution and The Atlanta Journal.

Cox Communications, also based in Atlanta, owns seven television stations, including WSB in Atlanta and five AM and seven FM radio stations.

It also operates cable television systems serving 1.5 million customers.

Triangle to Take Over National Can

By Jonathan P. Hicks
New York Times Service

NEW YORK — National Can Corp. has agreed to be acquired by Triangle Industries for $42 a share, or about $430 million, bringing to an end a year of jockeying among a variety of suitors for control of the Chicago-based packaging company.

The agreement, reached late Friday, means that Triangle, a maker of jukeboxes, vending machines and electrical wire products, is acquiring a company nearly seven times its size, as measured by annual revenue.

Triangle, based in New Brunswick, New Jersey, reported net in 1984 of $3.23 million, or $1.29 a share, on revenue of $290.83 million. For the same period, National Can posted net of $43.15 million, or $4.25 a share, on revenue of $1.91 billion.

Under terms of the agreement, National Can, the third-largest metal can maker in the United States, will become a subsidiary of Triangle and continue operating under its current name.

The two companies said in a joint statement that Triangle intended there would be "no substantial divestiture" of National Can's assets, and that National Can's management would be retained.

Triangle last month made a tender offer of $41 a share, or about $420 million, for National Can. When the companies held talks last week, analysts speculated that National Can wanted a higher price because of the prospect of sharply increased earnings this year.

A year ago, Victor Posner, a Miami financier who owned 38 percent of National Can, offered $40 a share to acquire the remaining shares. However, relations with Mr. Posner gradually soured and the bid was rejected. Members of National Can's management then announced that they were joining forces with a new employee stock ownership plan to make a $40-a-share buyout proposal.

Last month, Carl C. Icahn, a New York financier, disclosed in a filing with the Securities and Exchange Commission that he had acquired 9.1 percent of National Can's stock and that he was considering buying additional shares. However, Mr. Icahn said he had no intention of making a tender offer and that he had bought the shares "as an arbitrage position."

At the same time, Mr. Posner abandoned his maneuvering to win control of the company and agreed to sell his interests in National Can to Triangle for nearly $150 million in cash.

Mr. Posner did not say what he would do with the money, but Wall Street traders expected it to be used to infuse cash into two ailing companies controlled by him: Sharon Steel Corp. and Evans Products Co., which is operating under the protection of federal bankruptcy law.

World Stock Markets

Via Agence France-Presse April 8

Closing prices in local currencies unless otherwise indicated.

Singapore

	Close	Prev.
Boustead	1.74	1.76
Cold Storage	2.75	2.74
DBS	6.25	6.25
FraserNeave	5.20	5.25
Haw Par	2.31	2.32
Inchcape	2.44	2.45
Keppel Ship	1.64	1.73
Mal Banking	6	6.05
OCBC	9.15	9.15
OUB	3.90	3.90
Semb Shipyard	N.Q.	1.39
Sime Darby	1.92	1.94
S Steamship	1.09	1.10
St Trading	4.26	4.32
UOB	4.44	4.44

OUB Index : 413.86
Previous : 415.86

Tokyo

	Close	Prev
Akai	469	466
Asahi Chem	870	858
Asahi Glass	890	897
Bank of Tokyo	820	830
Bridgestone	531	535
Canon	1270	1290
C.Itoh	274	260
Dai Nippon Print	1010	1040
Daiwa House	545	546
Fuji Bank	1560	1560
Fuji Photo	1680	1680
Fujitsu	1080	1080
Hitachi	813	813
Honda	1300	1310
Japan Air Lines	6320	6340
Kajima	281	284
Kansai Power	1430	1430
Kawasaki Steel	147	145
Kirin Brewery	618	618
Komatsu ltd	446	442
Kubota	330	335
Matsu Elec Inds	1490	1490
Matsu Elec Works	758	757
Mitsubishi Bank	1540	1540
Mitsubishi Chem	456	458
Mitsubishi Elec	400	400
Mitsubishi Heavy	266	262
Mitsubishi Corp	529	529
Mitsui and co	355	345
Mitsukoshi	495	470
Mitsumi	N.Q.	1020
NEC	1060	1060
NGK Insulators	906	910
Nikko Sec	751	760
Nippon Steel	150	153
Nippon Yusen	249	246
Nissan	658	657
Nomura Sec	1140	1160
Olympus	1150	1148
Pioneer	2570	2540
Ricoh	890	900
Sharp	998	999
Sony	4310	4340
Sumitomo Bank	1730	1730
Sumitomo Chem	223	223
Sumitomo Metal	150	152
Taisei Corp	209	209
Taisho Marine	452	453
Takeda Chem	880	885
Tdk	5500	5500
Teijin	468	461
Tokyo Elec. Power	1650	1620
Tokyo Marine	846	850
Toray Ind	483	480
Toshiba	401	404
Toyota	1250	1250
Yamaichi Sec	814	805

Nikkei/D.J. Index : 12569.98
Previous : 12544.34
New Index : 986.39
Previous : 985.48

International Borrowing Decreased in March

Reuters

PARIS — Borrowings on international capital markets slowed perceptibly last month and bond issues from major industrial countries were particularly low, the Organization for Economic Cooperation and Development said Monday.

Preliminary data showed that $14 billion was raised on medium- and long-term financial markets in March, a drop of $4.4 billion from February, it added. Borrowing on external bond markets fell to $9.7 billion last month from $13.9 billion in February.

Asian Commodities
April 8

SINGAPORE GOLD FUTURES
U.S.$ per ounce

	High	Low	Settle	Prev. Settle
Apr	N.T.	N.T.	318.00	316.70
Jun	322.80	322.10	322.10	320.70
Aug	N.T.	N.T.	327.10	325.20

Volume: 109 lots of 100 oz.
Source: Reuters.

Dividends April 8

Company	Per	Amt	Pay	Rec
USUAL				
Farmers Group	Q	.44	6-7	5-17
Flowers Industries	Q	.16 1/2	5-6	4-19
Liberty Homes	Q	.05	5-15	4-19
Mark Twain Bncshrs	Q	.20	5-2	4-19

A-Annual; M-Monthly; Q-Quarterly; S-Semi-Annual.

Source: UPI.

Chrysler Is Said To Seek Venture With Mitsubishi

Reuters

DETROIT — Lee A. Iacocca, chairman of the Chrysler Corp., plans to negotiate terms for a joint production venture in the United States with Mitsubishi Motors Corp. during a trip to Japan later this week, the trade paper, Automotive News, said Monday.

A Chrysler spokesman confirmed that the two companies were holding discussions on a number of topics, but declined to comment further.

The paper quoted industry sources as saying the joint venture would be aimed at producing a sub-compact car to replace the Dodge Omni and Plymouth Horizon models due to be phased out in 1988 after nearly a decade on the market.

The paper said it was likely that Chrysler and Mitsubishi would build another plant in the midwestern United States for the project, though they had considered the Chrysler factory at Belvidere, Illinois, where the Omni and Horizon models are made.

Industry sources said the relationship between the two companies in a joint venture could be similar to the arrangement between General Motors Corp. and Toyota Motor Corp., in which a separate manufacturing company was formed to build small cars for the U.S. market.

Allied to Sell Half of Oil Unit to Get Cash for Other Ventures

Reuters

MORRIS TOWNSHIP, New Jersey — Allied Corp. said Monday that it had signed an agreement in principle to sell 50 percent of Union Texas Petroleum, its oil and gas subsidiary, to a group led by Kohlberg Kravis Roberts & Co.

It said the buyers include members of Union Texas management.

Allied would receive $1.4 billion in cash and $300 million of Union Texas preferred stock under terms of the proposed sale.

Allied's chairman, Edward L. Hennessy Jr., said the sale was part of Allied's program to restructure the company toward businesses involving products based on advanced technology.

"Selling half of Union Texas will help finance this continued restructuring," he said. "The sale makes sense because it unlocks the value of our oil and gas assets, which we believe are undervalued by the stock market.

"We intend to ultimately to use this cash to finance acquisitions in our core businesses, particularly aerospace, automotive and chemicals."

May's Cocoa Up and Down

(Continued from Page 13)

makes it difficult to appraise the movement of the product, Mr. Koutras said.

As in many other commodity markets, politics and weather can bring swift and severe changes for those dealing in cocoa. Fifteen years ago Ghana was by far the world's largest cocoa producer, followed by Nigeria, the Ivory Coast and Brazil. Now the Ivory Coast, relatively free of political turmoil, is by far the world's largest producer, followed by Brazil. Ghana and Nigeria lag well behind in third and fourth place.

Droughts in the past three years have hurt cocoa crops in West Africa and Brazil, resulting in a shortage on the world market for those years. But that situation is beginning to reverse itself now, and the current crop year has produced a surplus.

"We believe that net production during the 1984-85 crop year will total 1.757 million metric tons, or about 17 percent above a year ago," Mr. Koutras said. Out of this total, cocoa users will grind about 1.7 million tons of the cocoa beans for use in chocolate and other products, so the surplus will amount to about 52,000 tons. Added to what was left over last year, the stocks will be about 426,000 tons when the new crop year starts in the fall.

Attempts by the International Cocoa Organization, which links producing and importing nations, to flatten the swings in the market and support prices have largely failed. The group tries to control the market by use of a buffer stock. But the absence of several leading nations, including the United States, a major consumer, and the Ivory Coast, the largest producer, has made the effort largely futile.

Air India to Buy 6 Airbus Planes

Compiled by Our Staff From Dispatches

BOMBAY — Air India signed a contract Monday to buy six Airbus A310-300s to replace its aging Boeing 707s, an airline spokesman said. He said the cost was 5.31 billion rupees ($442.5 million).

The aircraft are to be delivered between April 1986 and the end of that year, he said. Air India will use the planes, which have a capacity of 187 passengers, on flights to Africa, the Far East and Europe.

In Seoul, meantime, a French official who asked to remain anonymous said Monday that final agreement on the sale to South Korea of three Airbus A300-600 planes had been reached during the visit there of French Prime Minister Laurent Fabius. *(Reuters, AFP)*

Lloyds May Sell Talcott Unit

Reuters

NEW YORK — Lloyds Bank PLC of Britain said Monday that it is considering the sale of James Talcott Inc., a finance subsidiary based in the United States, and has retained Merrill Lynch & Co. to assist in the transaction.

BHF's Net Slid 18% in 1984 to 42.8 Million DM

Reuters

FRANKFURT — Berliner Handels- und Frankfurter Bank had a 1984 net of 42.8 million Deutsche marks ($13.8 million), 18 percent below the 1983 figure of 52.3 million DM, Klaus Subjetzki, one of the bank's four partners, said Monday.

Mr. Subjetzki said the bank had a promising start in 1985 with earnings from commissions strong. However, he said, demand for credits remained low and the bank's balance sheet showed little growth at the start of 1985.

Mr. Subjetzki said the true earning power of the bank was masked in 1984 because 20 million DM of 1983 net came from liquidation of hidden reserves.

The same picture applied to group 1984 net, which was declared at 59.6 million DM after 61.4 million DM the previous year, when the 20 million DM from reserves was included.

Monday's AMEX 3p.m.

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.
Via The Associated Press

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a — dividend also extra(s)./l
b — annual rate of dividend plus stock dividend./l
c — liquidating dividend./l
cld — called./l
d — new yearly low./l
e — dividend declared or paid in preceding 12 months./l
g — dividend in Canadian funds, subject to 15% non-residence tax.
i — dividend declared after split-up or stock dividend.
j — dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting.
k — dividend declared or paid this year, an accumulative issue with dividends in arrears.
n — new issue in the past 52 weeks. The high-low range begins with the start of trading.
nd — next day delivery.
P/E — price-earnings ratio.
r — dividend declared or paid in preceding 12 months, plus stock dividend.
s — stock split. Dividend begins with date of split.
sls — sales.
t — dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date.
u — new yearly high.
v — trading halted.
vi — in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.
wd — when distributed.
wi — when issued.
ww — with warrants.
x — ex-dividend or ex-rights.
xdis — ex-distribution.
xw — without warrants.
y — ex-dividend and sales in full.
yld — yield.
z — sales in full.

Over-the-Counter April 8

NASDAQ National Market Prices

(Continued on Page 17)

U.S. Analysts, Citing Dollar and Economy, Trim Forecasts for 1985 Profits

(Continued from Page 13)

ter, U.S. Steel had a loss of 12 cents a share, and Caterpillar a loss of 15 cents a share.

But what some experts find most troubling is that many forecasts still seem too optimistic, which could mean that many more cuts will be necessary.

The first quarter earnings, which will be reported by most companies this month, are the most immediate to be affected, but analysts fear similar conditions could dampen profits for the year. So they are cutting projections for all of 1985.

Mr. Levine said analysts are projecting that profits for the companies they follow will jump an average of 17 percent in 1985. That is below the estimates made at the beginning of the year, but it is still well above estimates for overall earnings growth made by those who study the entire economy rather than individual stocks.

Economists and portfolio strategists expect an overall rise in corporate profits this year of 11 percent, according to Mr. Levine's calculations, and many experts say that even that number is far too high.

For example, Data Resources Inc., the consulting firm in Lexington, Massachusetts, predicts that profits will rise by 2.3 percent this year. Prudential-Bache Securities is even more gloomy, cutting its overall earnings forecast from a 5 percent gain to flat earnings.

Mr. Levine said that last June analysts were raising about as many forecasts as they were lowering. Since then they have been cutting more than they have been increasing, and by February they were chopping 2.4 estimates for each 1 they raised. Last month they cut 3.3 estimates for every 1 that went up.

Leonard Zacks, president of Zacks Investment Research, monitors forecasts of earnings by 80 brokerages on 3,000 companies, and he too has noted a sharp decline in estimates. In November, analysts predicted that profits of the companies they follow would rise in 1985 by an average of 20.3 percent. Their latest estimate is 15.2 percent.

"The biggest drop since January has been in consumer durables — autos, refrigerators, things of that order — and intermediate products," like metals, fertilizers and semiconductors, he said.

Hugh A. Johnson, chief economist of First Albany Corp., a regional brokerage based in Albany, New York, said the latest round of cuts began when Wang Laboratories, Inc. announced March 12 that its profits this year would be lower than expected.

Other companies had made similar announcements, such as Data General Corp. on Feb. 12, he noted, but the momentum of the cuts gathered after the Wang announcement.

"I think it was containable when it was Data General and Wang," he said. "But then it was IBM, General Electric, Minnesota Mining. It started to reach bigger companies, market leaders."

International Business Machines Corp.'s announcement two weeks ago that its earnings in the first quarter would probably be down has helped to depress the stock market since then, according to analysts.

The strong dollar is generally blamed as the principal culprit for lower-than-expected profits. In February the dollar soared against other currencies, hurting the ability of U.S. exporters to compete abroad and subjecting other companies to competition from a flood of cheap imported goods.

Moreover, a rising dollar meant that multinational companies earned less when they translated income in foreign currencies into dollars.

Nevertheless, the dollar peaked at the end of February and has been dropping.

So why did analysts worry about the dollar only after its peak?

Analysts admit that they were slow to become aware of the potential problems of a high dollar.

But they point out that the dollar, though lower than its levels of February, remains high by the standard of the last few years.

Some signs of a weakening U.S. economy also worry analysts.

The so-called flash estimate of real economic growth in the first quarter, for example, was only 2.1 percent compared with the 4 percent that had been expected.

A few industry groups — services such as utilities, banks and entertainment companies, less vulnerable to fluctuations of the dollar — have not experienced such large cuts in earnings forecasts.

Analysts Say Turner Is Long Shot for CBS Takeover

(Continued from Page 13)

CBS. MCI has confirmed it was approached, but said it had made no commitment.

People who know Mr. Turner say that his financial acumen is considerable, and often underestimated. Mr. Turner's personality and success as a sportsman, his promotion of himself in ads and his reputation for abrasiveness shade his everyday business abilities, analysts say. They dismiss the labels that have sometimes been applied, including "turbulent Ted," "Captain Outrageous" and "mouth of the South."

Those nicknames are "pejorative, horrible and unfair," said one analyst, Richard MacDonald of First Boston Corp. "No one sees the substance. He is a damn good businessman. The man knows how to make money."

Cable broadcasting is strewn with failed ventures. And few thought that Cable News Network, the 5-year-old, 24-hour news service that Mr. Turner established, would come so far so fast. "How quickly they forget," said Miss Cook, the Nashville analyst.

She recalled that 2½ years ago, CNN losses had the company "on the edge." But then, in 1983, Mr. Turner won the field to himself when the rival news channel, Satellite News, decided to sell to him.

"He has really built something now," Mr. MacDonald said. "He's now the fourth network news organization, with as high a quality as anybody out there."

Even so, not all analysts are optimistic about Turner Broadcasting's future. So far, its only profit source has been WTBS, a "superstation" in Atlanta that bounces its signal off a satellite to homes throughout the nation. Mr. Turner gets a great deal of credit for creating the station, which is what first established his reputation outside of Georgia.

"He took an unknown, unheralded television station that in nine years grew to 33 million viewers," Miss Cook said.

The fare on the Turner station is a mixture of sports and family entertainment, perhaps a vision of programming on a Turner-owned network. Mr. Turner believes network programming today is responsible for society's moral decay, and shows with violence are not shown.

As for sports, Turner Broadcasting's two professional Atlanta teams, the baseball Braves and basketball Hawks, provide a source of profitable programming, but by themselves are chronic money losers.

CNN, which is also broadcast live in Australia and Japan, has not made money, Turner Broadcasting said, although it is approaching the break-even point and has been improving steadily.

Hopes for profit from CNN rest on a recent increase in fees, which the company says will substantially improve results. Some analysts have forecast improved profit for 1985. CNN Headline News, a second round-the-clock news service, has also been operating in the red.

WTBS, which reaches 80 percent of homes equipped with cable, makes its money from ad revenue. CNN and CNN headline news are sold to cable systems and broadcasters.

Last year, Mr. Turner plunged the company into music video, starting a channel to compete with MTV Networks Inc. But the initiative lasted for only two months before he decided to get out in December and sell to rival MTV for $1 million. Turner Broadcasting was said to have lost $2 million in the venture.

Mr. Turner, 46, created his business enterprise from little. He began in Savannah, Georgia, in the family's outdoor advertising business, selling space on billboards. In 1963, he bought the company and built it into Turner Broadcasting.

Mr. Turner entered broadcasting in 1970 with the $2.5 million purchase of a failing Atlanta TV station that eventually became WTBS. He also bought a Charlotte, North Carolina, station, and sold that later for $20 million, putting the proceeds into CNN. That station has gobbled up those funds, and more than $300 million besides.

In a speech last year before the National Conservative Foundation, Mr. Turner said that he had suggested a merger with CBS but the network would not have him because he would have too much say.

"These networks need to be gotten into the hands of people who care about this country," he said.

Mr. Turner apparently feels that CBS should be in his hands. And given what he has accomplished as a businessman, not all the Turner-watchers are counting him out.

Du Pont, Mitsubishi Unit Agree on Joint Venture

Reuters

WILMINGTON, Delaware — Du Pont Co. said Monday that it had agreed with Mitsubishi Gas Chemical Co. to form a joint venture in Japan to produce pyromellitic dianhydride.

The 50-50 venture will be known as Du Pont-MGC Co. Pyromellitic dianhydride is used to make polyamide products for use as insulation in very high temperatures.

Over-the-Counter

April 8

NASDAQ National Market Prices

(Continued from Page 16)

	Div.	Yld.	Sales in 100s	High	Low	2 P.M.	Net Ch'ge
Psychr			11	11¾	11½	11¾	
Psyco s			13	18½	18¼	18¼	
PeakHC			73	12⅝	12⅜	12⅝	+ ⅜
PearlH			70	24½	24¼	24½	+ ¼
PeerMI	.72	5.3	12	13½	13	13½	+ ½
PegGld	.04f	.7	150	6¼	6	6¼	
PennEn	2.20	7.4	1	29⅞	29⅞	29⅞	— ⅛
Pentar s	.68	2.9	27	23¾	23	23⅜	
Penwst			10	11¾	11⅝	11⅝	— ⅛
PeopEx			158	8⅞	8¼	8⅜	— ⅛
PeopRt			139	⅝	⅝	⅝	
Percept			7	7½	7½	7½	— ½
PerpA			28	13⅝	13⅜	13⅝	+ ¼
PersCpt			15	9⅝	9½	9⅝	+ ⅛
PetInd			10	4¾	4⅝	4⅝	
Petrite	1.12	3.9	30	29⅛	29	29	— ⅛
Petrmn			7	2⅛	2⅛	2⅛	
Phrmct			120	12¾	12½	12½	
Phrmkt			2	9	9	9	
Phrm wt			17	8	7⅞	7⅞	— ¼
PSFS			107	9⅛	9	9	
PhilGl	.48r	3.0	228	16½	16	16	
PhnxAm			24	2⅞	2⅝	2⅞	
PhotoC s			6	6¾	6⅝	6⅝	— ⅛
PicSav			108	24¾	24	24¾	+ ½
PicCafe	.60	2.7	115	22⅝	22½	22⅝	— ⅛
PionG s	.30	1.6	12	19	18¾	19	
PionHi	.92	3.0	56	30⅝	30⅜	30½	— ⅛
PionSt s	.12	1.5	16	8⅛	8⅛	8⅛	— ¼
PlantrC	.96	3.3	3	29	29	29	+ ½
PizCBc	.10e	1.7	5	5⅝	5⅝	5⅝	+1
Plenum	.96	3.1	2	31	31	31	
PoFolk			17	10⅛	10	10	— ⅛
PlcyMg			192	26⅝	26	26⅝	+ ½
PoncaF	.25r	2.8	22	9	8⅞	9	
Porex			1	22⅝	22⅝	22⅝	— ⅛
Powell			135	2⅝	2⅛	2⅛	— ⅛
Powrtc			114	17⅛	16½	16½	— ⅛
PrecCst	.12	.5	2	24½	24½	24½	+ ⅛
PidRsk	.82	2.8	4	29⅝	29⅝	29⅝	
ProdLo			6	6	5½	5½	
PresLf s			5	25	25	25	+ ¼
PrsmCp	.50	3.1	30	16¼	16	16	
Prewav			3	3⅝	3⅝	3⅝	
Priam			40	4⅝	4½	4½	— ⅛
PricCm s			34	11⅝	11½	11⅝	+ ⅛
PricCo s			942	55¼	55	55	— ⅛
PrinvD	.16	2.6	6	6⅛	6⅛	6⅛	
Prironx			76	13½	13	13⅛	
Profinv			5	5⅝	5⅝	5⅝	— ¼
ProfitS	.40	3.6	53	11⅛	11⅛	11⅛	
Progrp			4	5⅝	5⅝	5⅝	
PropTr	1.20	9.2	117	13¼	13	13	— ¼
ProtCo s	.62	2.6	73	24⅜	24	24¼	+ ¼
Provin			2	14	14	14	
PrvLfA	2.86e	3.0	1	95	95	95	+ ½
PubcoC			271	1⅛	1⅛	1⅛	
PbSNC	1.80	8.4	12	21½	21¼	21½	+ ¼
PuSdBc	1.12	3.8	1	29⅝	29⅝	29⅝	
Pulltrn			426	6⅞	6⅝	6⅞	+ ⅛
PurtBn	.40	1.9	5	21¼	21¼	21¼	
Q							
			209	12⅝	12⅜	12½	— ⅛
Quadrx			31	6	5⅞	5⅞	— ⅛
QualSy			10	2⅛	2	2	
Qnimx s			43	14½	14	14½	
Quantm			105	21¾	20⅞	21	— ¼

INTERNATIONAL FUNDS

Quotations Supplied by Funds Listed

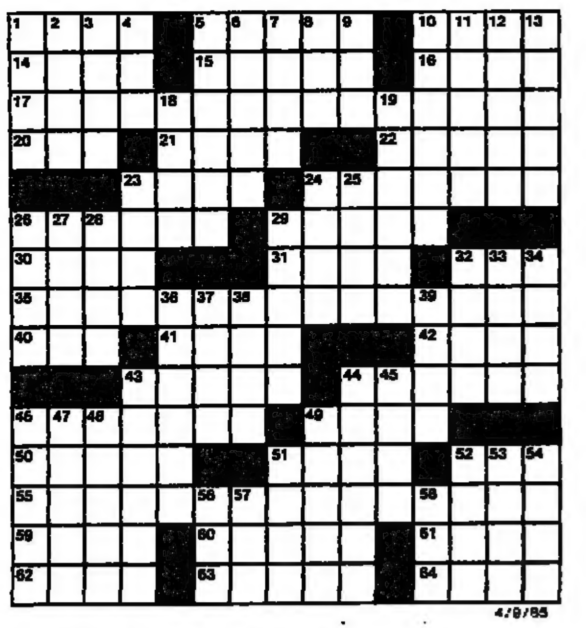
5 April 1985

DM — Deutsche Mark; BF — Belgium Francs; FL — Dutch Florin; LF — Luxembourg Francs; SF — Swiss Francs; a — asked; + — Offer Prices; b — bid change P/V $10 to $1 per unit; N.A. — Not Available; N.C. — Not Communicated; o — New; S — suspended; S/S — Stock Split; * — Ex-Dividend; ** — Ex-Rts; *** — Gross Performance Index Feb.; • — Redempt-Price- Ex-Coupon; •• — Formerly Worldwide Fund Ltd; @ — Offer Price incl. 3% prelim. charge; ++ — daily stock price as on Amsterdam Stock Exchange

INTERNATIONAL CLASSIFIED

(Continued From Back Page)

EMPLOYMENT — AUTOMOBILES — AUTO RENTALS — AUTO SHIPPING — AUTOS TAX FREE — BOATS & RECREATIONAL VEHICLES — LEGAL SERVICES — LOW COST FLIGHTS — HOLIDAYS & TRAVEL — SERVICES — ESCORTS & GUIDES

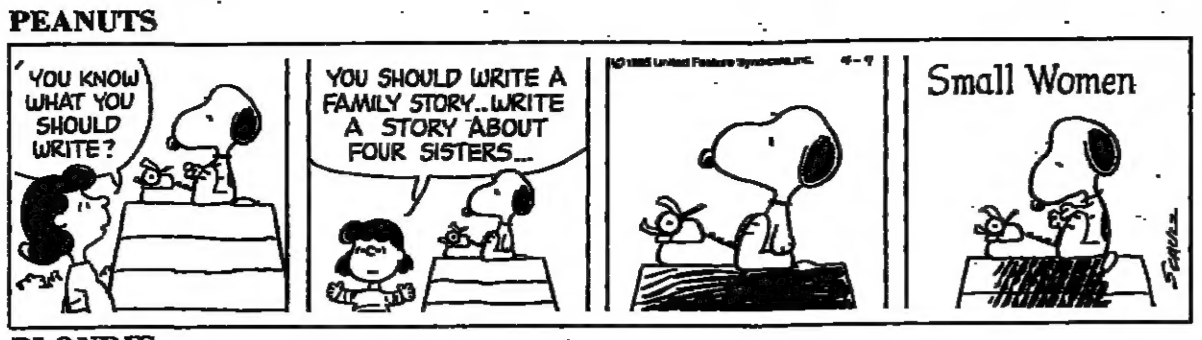


4/9/85

ACROSS
1 Sugar serving
5 Uncloses
10 —— au lait
14 Opposite of written
15 Proportion
16 Earthenware jug
17 House and Senate
20 Annex
21 —— Eleanor Roosevelt
22 Protect with sandbags, etc.
23 God of war
24 "Miss Otis ——"
26 Peace conference
29 Elflike creatures
30 Toward the ocean
31 Suffix denoting a collection
32 —— Moines
35 Ultimate D.C. decision makers
40 Elongated fish
41 Roulette bet
42 Where Burma is
43 Uncontrolled gatherings
44 Pattern on a TV screen
46 Eyepiece grid
49 Transmitted
50 Public storehouse
51 Mariner's haven
52 Actor Vigoda
55 U.S. Presidents
59 T.V.A. site
60 Banish
61 Take it easy
62 Scraps for Spot
63 Gets one's dander up
64 Gaelic

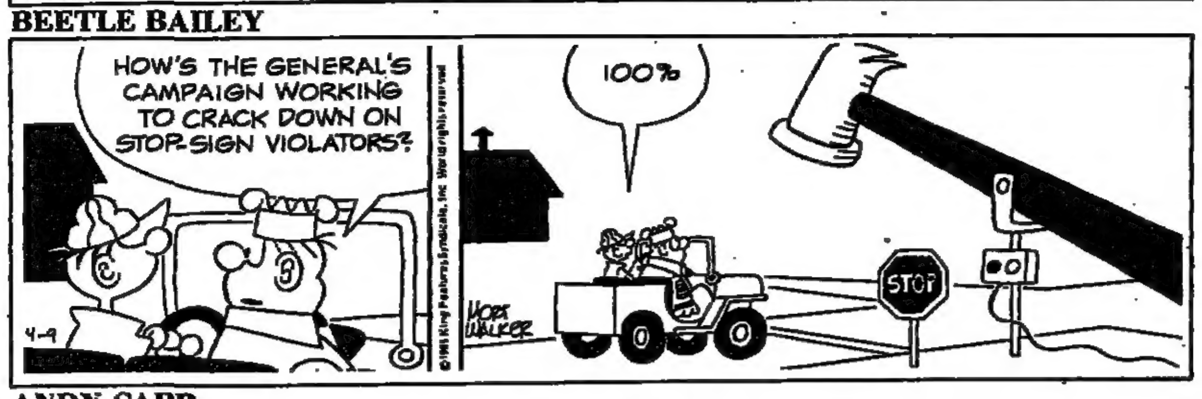
DOWN
1 Songwriter Porter
2 Russian river
3 Cry loudly
4 Slippery ——
5 Scotland's —— Islands
6 Physical discomforts
7 Sicilian menace
8 Afr. republic
9 Weep violently
10 Composers of secret messages
11 In existence
12 Group of warships
13 Far and Middle
18 Swiss river
19 Of unrestrained indulgence
23 Too bad!
24 Paper quantity
25 Sea eagle
26 Top of the head
27 Arthur of tennis
28 Virginia ——
29 Harbor sights
32 Do a maid's job
33 Fourth part of HOMES
34 Rigel is one
36 Children's worldwide org.
37 Sight in suburbia
38 Solemn ceremony
39 Malt kiln
43 Becomes mature
44 Ziegfeld offerings
45 French violinist: 18th century
46 Right-hand page
47 Clear sky
48 Infect or spoil
49 Architect's foundation piece
51 Line, as a roof
52 State confidently
53 Mamie's predecessor
54 Tivoli's Villa d'——
56 Suffix with ballad
57 "Repeal" Amendment
58 Anger

PEANUTS



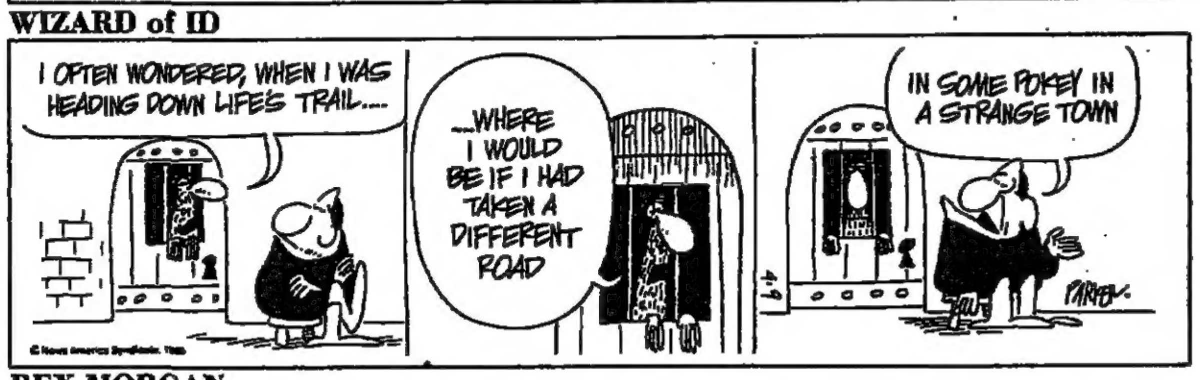
BLONDIE

BEETLE BAILEY



ANDY CAPP

WIZARD of ID



REX MORGAN

GARFIELD

DENNIS THE MENACE

"ME AN' MR. WILSON WERE HAVIN' A REALLY NICE TALK UNTIL I FOUND OUT HE WAS ASLEEP."

JUMBLE® THAT SCRAMBLED WORD GAME

by Henri Arnold and Bob Lee

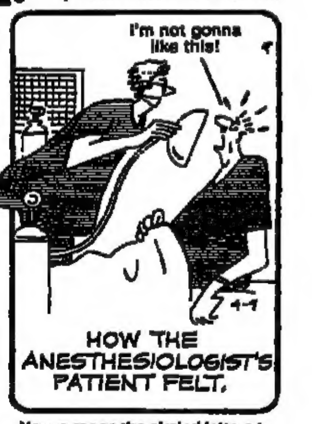
Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

TAGUM

LULBY

COPTEK

FLOUJY



Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: VERY "○○○ ○○○"

(Answers tomorrow)

Yesterday's | Jumbles: FILMY PLAID FLORID PEOPLE
Answer: What the angry mummy did— FLIPPED HIS LID

WEATHER

EUROPE	HIGH C	HIGH F	LOW C	LOW F	
Algarve	16	61	16	61	r
Amsterdam	11	52	9	48	sh
Athens	21	70	13	55	fr
Barcelona	19	66	10	50	o
Belgrade	21	70	6	43	fr
Berlin	12	54	7	45	sh
Brussels	12	54	9	49	sh
Bucharest	21	70	8	46	cl
Budapest	16	61	6	43	o
Copenhagen	6	43	2	36	fo
Costa Del Sol	25	75	11	52	cl
Dublin	10	50	6	43	o
Edinburgh	8	46	5	41	r
Florence	18	64	13	55	o
Frankfurt	14	57	9	48	o
Geneva	11	52	10	50	sh
Helsinki	1	34	-2	28	sw
Istanbul	15	59	10	50	fr
Las Palmas	24	75	17	63	cl
Lisbon	16	61	12	54	cl
London	12	54	8	46	r
Madrid	14	57	9	48	r
Milan	12	54	11	52	r
Moscow	1	34	-4	25	sw
Munich	10	50	7	45	r
Nice	15	59	13	55	o
Oslo	2	36	0	32	o
Paris	15	59	9	48	sh
Prague	14	57	4	39	o
Reykjavik	5	41	-1	30	o
Rome	18	64	12	54	o
Stockholm	2	36	-1	30	o
Strasbourg	12	54	10	50	r
Venice	14	57	11	52	o
Vienna	16	61	5	41	o
Warsaw	16	61	4	39	o
Zurich	10	50	7	45	r
MIDDLE EAST					
Ankara	18	64	10	50	cl
Beirut	21	70	12	54	fr
Damascus	23	73	7	45	cl
Jerusalem	18	64	5	41	fr
Tel Aviv	21	70	18	64	cl
OCEANIA					
Auckland	17	63	13	55	o
Sydney	24	75	18	64	cl

ASIA	HIGH C	HIGH F	LOW C	LOW F	
Bangkok	36	97	26	79	cl
Beijing	14	57	9	48	o
Hong Kong	21	70	19	66	r
Manila	32	90	24	75	cl
New Delhi	34	93	22	72	fr
Seoul	20	68	11	52	fr
Shanghai	16	61	10	50	o
Singapore	33	91	25	77	o
Taipei	21	70	18	64	cl
Tokyo	15	59	12	54	cl
AFRICA					
Algiers	25	77	10	50	cl
Cairo	27	81	12	54	fr
Cape Town	15	59	6	43	fr
Casablanca	23	73	10	50	cl
Harare	26	79	16	61	fr
Lagos	30	86	26	79	cl
Nairobi	24	75	14	57	st
Tunis	31	88	15	59	cl
LATIN AMERICA					
Buenos Aires	26	79	10	50	fr
Lima	24	75	13	55	cl
Mexico City	25	77	8	46	r
Rio de Janeiro	30	86	21	70	o
Sao Paulo	—	—	—	—	na
NORTH AMERICA					
Anchorage	1	34	-1	30	sw
Atlanta	20	68	4	39	fr
Boston	8	46	3	37	pc
Chicago	3	37	-2	28	cl
Denver	13	55	-2	28	fr
Detroit	3	39	-4	25	pc
Honolulu	26	79	16	61	fr
Houston	21	70	13	55	cl
Los Angeles	25	77	14	57	pc
Miami	29	84	20	68	pc
Minneapolis	5	41	-5	23	pc
Montreal	8	46	-1	30	fr
Nassau	30	86	20	68	pc
New York	9	48	3	37	cl
San Francisco	18	64	11	52	fr
Seattle	16	61	7	45	pc
Toronto	8	46	-1	30	pc
Washington	13	55	1	34	cl

cl-cloudy; fo-foggy; fr-fair; h-hail; na-not available; o-overcast; pc-partly cloudy; r-rain; sh-showers; sw-snow; st-stormy.

TUESDAY'S FORECAST — CHANNEL: Slightly choppy. FRANKFURT: Cloudy. Temp. 15—10 (59—50). LONDON: Showers. Temp. 10—7 (50—45). MADRID: Showers. Temp. 13—8 (55—46). NEW YORK: Fair. Temp. 8—1 (46—34). PARIS: Showers. Temp. 15—10 (59—50). ROME: Fair. Temp. 23—13 (73—55). TEL AVIV: Fair. Temp. 22—11 (72—52). ZURICH: Overcast. Temp. 11—8 (52—46). BANGKOK: Fair. Temp. 36—28 (97—82). HONG KONG: Cloudy. Temp. 24—20 (75—68). MANILA: Fair. Temp. 32—25 (90—77). SEOUL: Foggy. Temp. 22—7 (72—45). SINGAPORE: Thunderstorms. Temp. 31—25 (88—77). TOKYO: Foggy. Temp. 16—11 (61—52).

BOOKS

THE SOUTH AFRICAN QUIRT

By Walter D. Edmonds. 186 pp. $14.95. Little, Brown, 34 Beacon Street, Boston, Mass. 02106.

Reviewed by Alan Ryan

WALTER D. EDMONDS was born in 1903 and began writing in his 20s. Over the years, he has produced many books, including "Drums Along the Mohawk" in 1936 and "Chad Hanna" in 1940. In 1975, he won a National Book Award for "Bert Breen's Barn." Now in his 80s, he has written a new novel called "The South African Quirt", and it has the look of a classic.

However, this is not to be regarded as a good book merely because its author is advanced in years. Books are good or bad, and this is a very good one. Its portrayal of a boy's rite of passage into young adulthood is remarkable because it is so sensitively and convincingly done, and not because its author is so far distanced from his childhood. But it certainly does seem true that, at least in Edmonds's case, age has brought a wonderful wisdom.

The novel is very short, and its focus is very narrow. It is set in the summer of 1915 on a farm in the remote stretches of upper New York State. Natty Dunston is 12 years old and spending the summer alone with his father, since his sickly mother has returned to their home in New York City. His father — 64 years of age and quietly, stolidly tyrannical — fills the boy's thoughts. Natty has some friends — a neighboring farm family and his father's own employes — but, throughout the summer, his principal source of companionship and comfort is his precocious and bumptious puppy named Bingo.

A lovable boy with a mean father? A cute little puppy named Bingo? Is the book as sentimental as a bare outline makes it sound? Not a bit of it.

Edmonds succeeds, with uncanny sureness, in taking us inside the mind of young Natty and in giving us a moving and vivid boy's-eye view of the world. And what a threatening world it can be when everything you're doing is being done for the first time, when everyone but you seems to know what he's about, when you know perfectly well what's expected of you but can't bring yourself to do it . . . and especially when your father, who absolutely rules your world, can twist logic so that you are guilty even when innocent and wrong even when right.

Natty's father is a hard man who likes every element of his life to be regular, predictable, and familiar. He likes a cold baked apple for his breakfast every morning, and it had better be there. Without even examining the thought, he thinks he knows exactly what is right and best for his life and everyone else's. And what is right and best definitely does not include wayward little boys and precocious puppies. Seen through Natty's eyes, the father looms larger and more menacing as the otherwise warm and pleasant summer lengthens. If there are happy days of playing in the oat sheaves with Bingo, there are many other days when Natty dreads his father's displeasure at some imagined transgression.

The quirt of the title is a 30-inch leather crop, too savage, it appears, to be used on a horse, that is sent to Natty's father by a friend. Prominently displayed in the house, the quirt becomes a visible sign of the constant threat posed to Natty's precarious safety. One day, Natty knows, it will be used. The only question is how long he can avoid it.

At the center of the story is Natty's failure to share his father's view of the world, and his resistance to seeing the world as an adversary. He is too young, too curious, too unspoiled by life to turn inward and create a private demesne of his existence, as his father has done. Natty is still turned outward, eager to explore and embrace the world, and struggling to learn how. The ending of the book — in the manner of real life — is a mixture of triumph and sadness. It is touching in the best way: it is honest.

"The South African Quirt" is a modest novel with a quiet voice, but it has the look and feel of real life. Technically, it shows the mastery of a lifetime's craftmanship. Only time will tell, but I suspect this is the kind of book one can reread often in a lifetime.

Alan Ryan, author of "Cast a Cold Eye," wrote this review for The Washington Post.

Solution to Previous Puzzle

A	P	I	E	■	R	E	C	A	P	■	S	W	A	B
S	O	D	A	■	E	M	A	I	L	■	P	A	N	E
P	E	E	R	■	A	P	P	R	E	C	I	A	T	E
S	T	A	B	■	■	T	O	E	D	A	N	C	E	R
■	■	■	E	A	S	Y	■	■	G	R	E	■	■	■
A	G	E	N	D	A	■	T	R	E	E	■	F	H	A
M	E	N	D	A	C	I	O	U	S	■	E	R	A	S
A	L	D	E	R	■	S	I	S	■	D	Y	E	R	S
T	I	E	R	■	S	I	L	H	O	U	E	T	T	E
O	D	D	■	A	P	S	E	■	C	L	O	S	E	T
■	■	■	A	I	R	■	■	P	A	L	P	■	■	■
H	E	A	D	L	I	N	E	R	■	■	E	L	L	A
I	M	P	O	S	T	U	R	E	S	■	N	E	O	N
L	E	E	R	■	E	L	I	T	E	■	E	T	O	N
L	U	R	E	■	S	L	E	E	T	■	R	A	T	E

4/9/85

CHESS

By Robert Byrne

IN the fourth round of the third commonwealth championship in London, Kevin Spraggett, a 30-year-old Canadian international master, defeated William Watson, an English international master, by a noteworthy speculative gambit.

The offbeat positional syestem that Watson was using against the Sicilian Defense had as one of its key ideas the setting up of a Nimzovichean blockade with 9 BxN, PxB; 10 P-QN3. But Before Watson had time to go ahead with the further links of the strategy, 11 P-Q3, 12 B-R3 and 13 N-R4 Spraggett sacrificed a pawn with 10 . . . P-B5!? to obtain play for his pieces.

Spraggett disdained the recovery of his pawn beginning with 13 . . . BxN; 14 PxB, QxP in favor of remaining true to his gambit with 13 . . . PxP.

When Watson's 19 N-N5 indicated that he intended a blockade with 20 B-Q4 or 20 N-Q4, Spraggett responded with a second pawn sacrifice, 19 . . . P-Q5!?, which opened the diagonal of his QB.

Letting Black have a crosspin after 21 R-B2 would have been risky as well as unconfortable, but Watson's alternative, 21 N/5-B3, let Spraggett thrust 21 . . . R-K5. Soon, after 22 . . . B-N3, Watson had to lose his KBP because 23 P-N3? permits the crushing 23 . . . R/5xN.

The advance of the QBP with 23 P-B4 and 24 P-B5 was supposed to keep the black bishops at bay, but the pawn could only hamper one of them at time.

After 27 . . . R-R4!, there was an awful lot of firepower aimed at the white king. Thus, had Watson played 28 Q-Q3, then 28 . . . B-B2 would threaten 29 . . . BxP!; 30 NxB, R/5-R5, as well as 29 . . . N-N4!

Accordingly, Watson desperately tried to annoy the black pieces with 28 Q-Q7, N-B3; 29 Q-Q6, but after 29 . . . R-Q4!; 30 Q-K7, R-K5!, his queen was trapped. It could not be freed by 31 N-K5? in view of 31 . . . R/4xN!; 32 PxR, RxN, when the white king cannot be defended.

Getting rook plus bishop for the queen with 31 QxR, NxQ; 32 PxB, PxP was little solace, since the poor blocked white bishop denied White reasonable resources.

On 43 . . . N-B5, Watson overstepped the time limit and forfeited. In any case, 44 R-KB2, R-Q4; 45 RxR(45 N-K5?, RxN!), QxR would have been hopeless for White.

SPRAGGETT/BLACK

WATSON/WHITE
Position after 30 Q-K7

SICILIAN DEFENSE

	White Watson	Black Spraggett		White Watson	Black Spraggett
1	P-K4	P-QB4	23	P-B4	RxP
2	N-QB3	P-K3	24	P-B5	R-Q4
3	P-B4	P-Q4	25	QR-B1	N-K5
4	N-B3	N-QB3	26	N-K2	R-N5
5	B-N5	N-B3	27	P-Q4	R-R4
6	N-K5	Q-B2	28	Q-Q7	N-B3
7	Q-K2	B-K2	29	Q-Q6	R-Q4
8	O-O	O-O	30	Q-K7	R-K5
9	BxN	PxB	31	QxR	NxQ
10	P-QN3	P-B5	32	PxB	PxP
11	PxBP	B-N5	33	R-B7	N-B3
12	KPxP	BPxP	34	KR-B1	R-Q1
13	PxP	PxP	35	N/2-N3	N-Q4
14	B-N2	R-K1	36	R/7-B2	N-N5
15	K-R1	B-N2	37	R-K2	N-Q4
16	P-QR3	B-B4	38	R/1-K1	P-B3
17	Q-Q3	QR-Q1	39	R-K5	N-B5
18	QR-N1	Q-B1	40	R-KB5	N-Q6
19	N-N5	P-Q5	41	R-K2	B-K5
20	NxQP	Q-R1	42	R-QN5	Q-B3
21	N/5-B3	R-K5	43	P-QR4	N-B5
22	Q-N3	B-N3		Forfeit	

Quarterback Kosar Is Learning to Run Pro Options

The New York Times
Bernie Kosar

By Ira Berkow
New York Times Service

MIAMI — "Seen Bernie?" Alvin Ward was asked as he came upon a small knot of people on the sidewalk.

"The Franchise not here yet?" said Ward, the senior guard for the University of Miami football team. He turned, looked over the quadrangle of other book-laden students, then turned back and shrugged. Under different circumstances, Ward has spent a lot of time with Kosar behind him and generally has a sure instinct of where he is.

It was shortly before one on a recent Friday afternoon. Outside Memorial Building's classroom 112 there stood, under a palm tree, several people waiting to see Bernie Kosar — a self-described hermit for the last few months.

He had been trying to make an important decision about his life. But he hadn't been shying away from class. This one — Finance 306: Monetary and Fiscal Policy — he has missed only once since it began on Jan. 13. Kosar has also been a regular in International Finance, where he received the highest grade on the midterm exam.

In the last couple of months, Kosar had been unavailable to reporters interested in whether he would continue to take classes about money or just take the money. His professional services could bring as much as $5 million to $8 million for the next five or six years, because Kosar has succeeded mightily at college football by using his arm and his head.

Kosar has been Miami's star quarterback for the last two seasons. In 1983, as a freshman in terms of eligibility (he had been redshirted), he led the Hurricanes to their first national championship.

And in Miami's season-ending 31-30 defeat of top-ranked Nebraska, Kosar threw for an Orange Bowl record of 300 yards and for two touchdowns.

Last year wasn't so glamorous, but Kosar remained a standout. In fact, in a contest that may become one of the most talked-about games of all time, he was upstaged only as time expired. On national television in late November, Miami was beating Boston College, 45-41, when B.C.'s Doug Flutie, who had begun scrambling with two seconds remaining, threw a touchdown pass 63 yards to win the game. Until then, Kosar and Flutie had each thrown two TD passes and Kosar had been ahead of Flutie in total yards passing, 447 to 424.

Many people remember only Flutie's final pass. But pro scouts remain impressed with Kosar's ability to direct a football team.

□

Kosar, an academic all-American last season and second to Flutie on many of the general all-America teams, is expected to complete requirements for a bachelor's degree this summer in a double major, finance and economics. His grade-point average is currently 3.3 out of 4.0. He will have finished his class requirements for a diploma in three years.

Meanwhile, he still has two years of college football eligibility left. What to do?

He saw Flutie, a senior, accept a multimillion-dollar contract with the New Jersey Generals. It was clear that no other highly prized quarterback was coming out of college this year. And when two leagues bid against each other, it certainly has to improve a player's bargaining power. Kosar is now in that position.

The National Football League draft will be held April 30. Buffalo, which drafts first, has already signed Bruce Smith of Virginia Tech. Houston is next. The Oilers don't necessarily need another quarterback, but might be happy to draft Kosar and then make a deal with another team that does need one. In the United States Football League, the Orlando Renegades had territorial rights to Kosar and are anxious to snare a quarterback with his potential.

Home in Youngstown, Ohio, for the spring break, Kosar recently held a press conference and announced his intention to turn pro.

"There's Franchise now," said Alvin Ward. Behind him approached a tall, loose-limbed and not particularly muscular-looking young man in a red jacket rolled up at the sleeves, no shirt, gray shorts, white ankle-high basketball shoes, sunglasses under dark curly hair. He held a loose-leaf notebook in his large right hand.

It was nearly 1 o'clock. "Wasn't sure you were going to make it," someone said. "Not missing any classes now — too close to the end," Kosar said with a smile, but the look in his eyes was quite sober.

A photographer asked him to pose for a few pictures. After a couple of shots, Kosar said he had to get into class.

He took a seat in the first row against the wall and the professor started discussing the intricacies of state and municipal bonds. Kosar crouched over his notebook and wrote.

"Classes like that one have been very helpful to me, especially in the last couple of months, " Kosar said as he walked across campus back to his dormitory. "Like, I've had a lot of guys claiming to be agents calling me or waiting for me after class or outside of my dormitory. They throw all kinds of figures around. Like, one guy said that the athletes he represented averaged a 46 percent profit on all their investments, on very safe investments.

"Well, you learn that that's just about impossible when very careful investing will yield about 8¼ or 10 or at most 12 percent on your money. So you get a pretty good idea who's trying to snow you."

Still, he said, the last two months had been a struggle about what to do. "I was honestly confused. The question in my mind was, 'Am I ready to leave?' " Should he play at least another year? Go to graduate school? Apply for a Rhodes scholarship? "Did I want to venture into the outside world?"

□

His advisers include his father, Bernard Kosar Sr., who has a degree in engineering and sells air compressors, and the family dentist, Dr. John Geletka. There are some who think the "indecision" was simply a ploy Kosar and his brain trust used to try to make him as desirable a professional commodity as possible. Indeed, his father had said that his boss always says: "A good salesman never leaves money on the table" — i.e., one makes the best business deal one can.

"It wasn't fair to the University of Miami for me to keep the team dangling on whether I'd be back or not," said Kosar, "and so I made the announcement."

Later that recent Friday, Kosar held a news conference in Miami to answer any questions that might have arisen during his seclusion.

He said the Oilers, who haven't made a decision on what they're going to do with their draft rights to him, "hold my future in their hands, and I wish they'd make some kind of move. But I can understand why they're waiting." For the same reason, apparently, he waited — to try to maximize benefits.

Does he think he can step right in and lead a pro football team? "Any time I take a challenge," he said, "I do the best I can. I try to take pride in taking that challenge."

Does that mean he thinks he can do it? "Yes," he said, cutting through the gloss.

He has reason for confidence. Not heavily recruited when he was coming out of high school, he was red-shirted at Miami because he wasn't as physically developed as players he would be competing against.

In his first year of eligibility he came to spring practice as the No. 3 quarterback. But he was soon starting, and after a loss in the season opener he led the team to victories the rest of the way, finishing 11-1 and earning the national title.

"Bernie's so bright that he can grasp a concept very quickly, and then apply it immediately on the field," said Earl Morrall, the former pro quarterback and a part-time assistant coach at Miami. "Other guys have to find out by trial and error. Not Bernie. And he has great composure. You see the way he handles a team under pressure, in seesaw games. I think he'll make a very good pro."

Kosar has a history of going beyond expected requirements. The best example is in the classroom, with motivation from his father. "All the time Bernie has been in school," said his father, "if he was taking four courses, I'd ask him to take five. I told him, 'all I'm asking is that you do just 20 percent more than you are doing.' "

The news conference at the hotel was winding down: Yes, responding to a last question, all this attention was exciting. "I've never experienced anything quite like this," Kosar said.

But now he had to get back to the dorm. He had notes to go over from Finance 306: Monetary and Fiscal Policy, a subject he was endeavoring to put to pragmatic application.

SPORTS

Beginning a New Season, Baseball Opens a New Era

By Thomas Boswell
Washington Post Service

WASHINGTON — As the 1985 season begins, baseball's dominant mood is a blend of enthusiasm over the state of the game on the field and guarded optimism that the sport's basic order off the field may soon start to be restored.

The day may be in sight when, after a decade of distracting turmoil, fans may actually be able to focus on the game itself, rather than strikes, law suits, drug busts, franchise defections, exorbitant contracts, congressional testimony and Supreme Court decisions.

Don't hold your breath. But it's conceivable.

When spring training began, fear of a strike was real. That possibility is seldom mentioned now. Commissioner Peter Ueberroth's decision to "open the books" has completely changed the climate of the game's labor-management talks.

The owners now admit, and are willing to document, their genuine money problems — problems almost entirely self-inflicted, but nonetheless real.

The players' union, after 15 years of pressure to find the limits of the owners' deep pockets, now realizes that a $350,000 average annual salary is all the traffic will bear. That's plenty.

Thanks to record attendance, better marketing under Ueberroth, some sharing of cable television revenues and a $1 billion network TV deal, baseball has more money than it needs to make everybody involved rich beyond their dreams.

A new labor contract probably will not be reached before June, but, for the first time, both owners and players are being sensible in negotiating. And both sides are looking at the same numbers; the owners have confessed they can't manage themselves and the players surely don't want to kill their golden goose.

With luck, baseball is on the verge of saner and more equitable financial times. Ueberroth has already taken another step in that direction by working to get superstation teams like the Braves, Cubs and Mets to agree to indemnify clubs whose markets they penetrate with their TV signals.

Ueberroth has also made himself a hero with the umpires by settling that October strike entirely in their favor. He's even set a tone of reconciliation by reinstating old stars Willie Mays and Mickey Mantle. That may have been a grandstand play and a kick in the pants to Bowie Kuhn, but it was strong PR.

Baseball also made progress with its new drug-treatment plan, agreed upon since last season. Perhaps we won't see any more batting champions in jail for a while.

Further down the road, of course, the game still has tough choices to make about its long-range structure. This summer's owners meeting may, for instance, be a first round showdown on whether the game really needs to expand by two teams in the near future and by six teams within a few years.

Naturally, towns like Denver and Washington, which have high hopes for new National League teams in 1986 or '87, can be excused for downplaying the severity of this issue. Nonetheless, it's debatable whether baseball needs 32 teams — which would probably bring divisional realignment and an eight-team postseason in its wake. And does Triple-A ball have enough quality players to provide 100 to 150 more "big leaguers?"

While fans can now daydream about a time when baseball's hard-news issues may stop dominating headlines, it's no pipe dream to speculate that '85 may be a banner season between the white lines.

If appetites were ever whetted for a new spring, this ought to be the year.

In 1984 the pennant races were duds, the World Series was a yawn and the only game all year that made everyone's hair stand on end with anticipation — the Padres against the Cubs with the National League flag at stake — went the wrong way. Unless you live in San Diego or like to see the better team lose.

Now we enter a season in which at least 18 of the game's 26 teams can make rational claims to being contenders. This is baseball's age of free-agent parity. Last year's runaways — by underdogs — were probably aberrations.

In the past six years only two National League teams — the Mets and Giants — have not been to the playoffs; in the American League, eight teams have won division flags in the past four years.

If anything, this might be a time for the return of a couple of small dynasties. When world champions collapse as quickly as have those of the past five years — for example, the Pirates, Phillies, Dodgers, Cardinals and Orioles finished 18th, 11th, 9th, 16th and 8th in victories last year — it can be as disorienting as it is exciting.

Fortunately, the Detroit Tigers and Chicago Cubs, who won 200 games between them in 1984, look far too solid to drop from contention.

When did baseball ever begin a season in which so many players would be scrutinized so closely? Last year's most valuable players, batting champions and Cy Young Award winners were all fellows who performed incalculably above what was expected of them. What will Ryne Sandberg, Willie Hernandez, Tony Gwynn, Don Mattingly and Rick Sutcliffe do when the spotlight is on them from the start?

The magnificent rookies of '84 — one of the most auspicious crops ever — will also have to prove themselves again. Dwight Gooden and Mark Langston, Alvin Davis and Juan Samuel, won't be sneaking up on anybody.

Add to that the natural excitement surrounding an All-Star player who goes to a new contending team. What will Gary Carter mean to the Mets or Rickey Henderson to the Yankees? What about Bruce Sutter as a Brave and Fred Lynn as an Oriole? Will Bill Caudill get the Blue Jays over the top? Is LaMarr Hoyt what the Padres need to be world champs?

AP

Ueberroth: Change of climate.

What does baseball have to offer, having started on Monday and continuing until a cold night around Halloween?

We have, perhaps, the best five teams ever assembled in pursuit of one flag all bunched together in the American League East. We have Pete Rose on the trail of Ty Cobb's ghost: he needs only 95 hits to do to Cobb what Henry Aaron did to Babe Ruth. We have a resurgent American League that threatens to dominate the All-Star Game and World Series, as the National did in the recent past.

We probably have more young stars who have been in the game three years or less than at any time since the mid-1950s. Names like Ripken, Hrbek, Boggs, Brunansky, Kittle, Franco, Bell, Gedman, Walker, Boddicker, Black, Viola, Clemens, Darling, Gubizca, Pena, the Davises (Chili and Storm), Orosco, Ray and Rommanick have all come into our consciousness since the strike of 1981. Not one of them had played a game in the big leagues before that dark episode.

The arrival of Ueberroth as commissioner is just one sign of a new era in baseball. Kuhn's reign, from 1968 until 1984, coincided almost perfectly with baseball's traumatic leap from an old-fashioned, slow-paced era into a troubled and controversial period of force-fed modernity.

Now, under Ueberroth, it's time for baseball to shake down, get its bearings, decide what must be kept and what discarded from the revolutionary period that may now be reaching an end.

Now that they're all here — the designated hitter and artificial turf, domed stadiums and free agents, arbitrators and superstations, $2-million annual contracts and drug abuse, competitive balance and imminent expansion, record attendance and record red ink — what do we do with them?

The 1985 season should provide some answers and perhaps even mark the start of a new age of baseball sanity.

The Crack of a Bat

By Dick Roraback

Away on this side of the ocean
When the chestnuts are hinting of green
And the first of the café commandos
Are moving outside for a fine
And the sound of spring beats a bolero
As Paree sheds her coat and her hat
The sound that is missed more than any
Is the sound of the crack of a bat.

□

There's an animal kind of a feeling
There's a stirring down at Vincennes Zoo
And the kid down the hall's getting restless
Taking stairs like a young kangaroo
Now the dandy is walking his poodle
And the concierge sunning her cat
But the heart's with the Cubs and the Tigers
And the sound of the crack of a bat.

□

In the park on the corner run schoolboys
With a couple of cartons for props
Kicking goals à la Fontaine and Kopa
While a little guy chickies for cops
"Goal for us," "No it's not," "You're a liar,"
Then the classical shrieks of a spat
But it's not like a rhubarb at home plate
Or the sound of the crack of a bat.

□

Here the stadia thrill to the scrumdowns
And the soccer fans flock to the games
And the chic punt the nags out at Longchamp
Where the women are dames and not dames
But it's different at Forbes and at Griffith
The homes of the Buc and the Nat
Where the hotdog and peanut share laurels
With the sound of the crack of a bat.

□

No, a Yank can't describe to a Frenchman
The rasp of an umpire's call
The continuing charms of statistics
Changing hist'ry with each strike and ball
Nor the self-conscious jog of the slugger
Rounding third with the tip of his hat
Nor the half-smothered grace of a hook slide
Nor the sound of the crack of a bat.

□

Now, the golfer is buffing his niblick
And the tennis buff's tightening his strings
And the fisherman's flexing his flyrod
Like a thousand and one other springs
Oh, the sports on both sides of the ocean
Have a great deal in common, at that
But the thing that's not HERE
At this time of year
Is the sound of the crack of a bat.

(Reprinted by popular request)

Nuggets Win NBA's Midwest Crown

Compiled by Our Staff From Dispatches

DENVER — A division title might be old hat to the Celtics, Lakers and 76ers, but it's still special to the Denver Nuggets.

Second-place Houston's 126-105 loss to San Antonio clinched the National Basketball Association's

NBA FOCUS

Midwest Division crown for the Nuggets Sunday night, even before they hung on to beat Golden State, 130-125.

"Most of the preseason, polls I saw had us fifth or sixth," said veteran center-forward Dan Issel. "We might be a rung under as far as talent entering the playoffs goes, but this team has a lot of heart that compensates for the talent that teams like Boston and the Lakers have."

Alex English had 42 points and 10 rebounds for Denver, which won its first division title since 1977-78. The Nuggets (51-27) are 24 games over .500 for the first time since the team entered the NBA in 1976.

The Nuggets have won 13 more games than they won all last season. The surprise team of the West has four games remaining and leads the division by six games.

Of the six teams in the Midwest Division, Denver seemed least likely to win; Houston, Dallas and Utah were expected to battle for the title.

An off-season trade in which the Nuggets sent high-scoring Kiki Vandeweghe to Portland for Calvin Natt, Wayne Cooper and Lafayette Lever turned out to be a gem. All three moved into the starting lineup, and they contributed 50 points a game.

They also played a part in a defense that gave up eight fewer points a game than last season's.

Although they still had the worst defense in the league, the improved defense made the league's best offense even more potent.

"It's been different on this team," English said. "There's a real camaraderie that I haven't seen in all my years in basketball. It's a great thing to win a division title."

Elsewhere Sunday it was Boston 114, New York 102; the Los Angeles Lakers 135, Portland 133; Detroit 113, Milwaukee 91, and Phoenix 125, Seattle 110.

Denver led by 73-48 at halftime, but let down in the second half after the Rocket-Spur score was announced. The Nuggets increased their margin to 85-57 early in the third period before Golden State rallied to pull within three points on several occasions late in the game.

"I really didn't want the players to know about the San Antonio-Houston score, but it's tough to hold it back," said Coach Doug Moe. "It's a big thrill for them and me to win this thing. It's been our goal since Day 1. Division titles don't come along that often. ."

Golden State, which got 24 points from Purvis Short, trailed 126-123 in the final minute before a basket by English with 26 seconds left gave Denver a five-point advantage.

Golden State finished 0-15 on the road against Midwest Division teams for the season. *(AP, LAT)*

The Associated Press

Ken Bannister's handiwork earned Kevin McHale a couple of free throws Sunday; Bannister led New York with 23 points, but Larry Bird had 38 for Boston, which completed a six-game season sweep of the Knicks with a 114-102 victory.

Flyers Finish Season With a Flourish

The Associated Press

EAST RUTHERFORD, New Jersey — The Philadelphia Flyers ended the National Hockey

NHL FOCUS

League's regular season in style, while the Toronto Maple Leafs were just glad to get it over with.

The Flyers beat the New Jersey Devils, 6-1, here Sunday night to place an emphatic exclamation point at the end of a remarkable year. On Feb. 8, Philadelphia was nine points behind Washington in the Patrick Division, 17 points behind Edmonton in the overall standings and without much hope of finishing first in either category. But by winning 24 of their last 28 games, the Flyers easily won the division, compiled a club-record 53 victories and posted the league's best overall point total, 113, four more than the defending champion Oilers. Philadelphia won 16 of its last 17 games.

The Flyers allowed only three goals in their last five games, and the victory over New Jersey was goaltender Pelle Lindbergh's league-leading 40th.

Brian Propp and Todd Bergen scored two goals apiece for the Flyers, who used a blend of veterans and youngsters to soar to the top of the standings under rookie Coach Mike Keenan and General Manager Bob Clarke.

"Anyone who would have said I would have won 40 games, I would have said they were crazy," said Lindbergh, who made 38 saves in the finale.

Toronto didn't play many teams strongly this season, which ended for the Maple Leafs with a 5-1 defeat in Boston.

The Leafs were 20-52-8 this season, the NHL's worst record. They'll get the first pick in June's draft as a reward.

On the final night of regular-season play, Quebec scored three times in the third period to beat Hartford, 4-1, and vault over Buffalo for second place in the Adams Division. The Sabres were 5-4 home-ice losers to division champion Montreal. Elsewhere it was Calgary 4, Winnipeg 4; Chicago 3, the New York Rangers 1; Washington 7, Pittsburgh 3, and St. Louis 6, Detroit 5.

The matchups for the first round of playoffs, which start Wednesday night, are Winnipeg vs. Calgary, Edmonton vs. Los Angeles, Philadelphia vs. the Rangers, Washington vs. the New York Islanders, Quebec vs. Buffalo, Montreal vs. Boston, St. Louis vs. Minnesota and Chicago vs. Detroit. All series are best-of-five.

Sindelar Wins 1st PGA Event

The Associated Press

GREENSBORO, North Carolina — Joey Sindelar shot a 3-under-par 69 in rain and high winds here Sunday to win the Greater Greensboro Open golf tournament by one shot. Sindelar's first PGA victory came on a 72-hole total of 285. In his second year on the tour, Sindelar, 27, started the final round at even par, four strokes off the pace, but his three-birdie, one-bogey round was the day's best.

Isao Aoki (a closing 72) and Craig Stadler (71) tied for second at 286. Corey Pavin (71) was alone in third at 287.

Tied for fourth with par 288s were Jeff Sluman (a 74), Doug Tewell (74), Dan Pohl (75), Bill Kratzert (74) and Ed Fiori (70). Ray Floyd and rookie Phil Blackmar, co-leaders at the end of three rounds, blew to respective finishes of 78/290 and 81/293.

His $72,000 payday brought Sindelar's 1985 winnings to $87,044. As a rookie he won $116,528.

The victory automatically qualified him for the upcoming Masters and for such exclusive events as the Tournament of Champions and the World Series of Golf. "Unbelievable," said Sindelar. "I'm so excited I can hardly talk. I'm thrilled to be going to the Masters."

AP

Joey Sindelar on the 72d green.

SCOREBOARD

Baseball

1984 Major League Leaders

AMERICAN LEAGUE

Team Batting

	AB	R	H	HR	RBI	Pct
Boston	5599	801	1579	180	756	.282
New York	5665	758	1559	129	724	.276
Toronto	5657	741	1546	141	693	.273
Detroit	5644	829	1530	187	788	.271
Kansas City	5543	673	1487	117	639	.268
Cleveland	5609	755	1486	123	699	.265
Minnesota	5563	673	1473	113	635	.265
Milwaukee	5474	628	1434	95	595	.262
Texas	5526	656	1436	120	612	.260
Oakland	5457	738	1415	158	689	.259
Seattle	5546	682	1429	129	643	.258
Baltimore	5456	681	1374	160	650	.252
California	5436	689	1353	148	641	.249
Chicago	5486	679	1358	172	640	.248

Individual Batting
(300 or more at-bats)

	AB	R	H	HR	RBI	Pct
Mattingly NY	603	91	207	23	110	.343
Winfield NY	567	106	193	19	100	.340
Benlquez Cal	354	60	119	8	39	.336
Boggs Bsn	625	109	203	6	55	.325
Mulliniks Tor	343	41	111	3	42	.324
BBell Tex	552	88	174	11	83	.315
Trammell Det	555	85	174	14	69	.314
Easler Bsn	601	87	188	27	91	.313
Hrbek Min	559	80	174	27	107	.311
Collins Tor	441	59	136	2	44	.308
EMurray Blt	588	97	180	29	110	.306
Baines Chi	569	72	173	29	94	.304
CJohnson Tor	359	51	109	16	61	.304
Ripken Blt	641	103	195	27	86	.304
Vukovich Cle	437	38	133	9	60	.304
Barrett Bsn	475	56	144	3	45	.303
McRae Kan	317	30	96	3	42	.303
Hatcher Min	576	61	174	5	69	.302
PBradley Sea	322	49	97	0	24	.301
Wilson Kan	541	81	163	2	44	.301
Lansford Oak	597	70	179	14	74	.300
Rivers Tex	313	40	94	4	33	.300
Orta Kan	403	50	120	9	50	.298
Yount Mil	624	105	186	16	80	.298
Puckett Min	557	63	165	0	31	.296
Carew Cal	329	42	97	3	31	.295
DwEvans Bsn	630	121	186	32	104	.295

Team Pitching

	ERA	H	ER	BB	SO	ShO	SA
Detroit	3.49	1357	567	489	914	8	51
Baltimore	3.74	1390	594	504	705	12	31
New York	3.77	1484	614	518	989	12	43
Minnesota	3.86	1429	616	463	707	9	38
Toronto	3.86	1422	625	527	887	10	33
Kansas City	3.91	1425	627	434	728	9	50
Texas	3.93	1430	626	515	847	6	21
California	3.96	1514	637	474	746	12	26
Milwaukee	4.05	1522	641	477	774	7	41
Chicago	4.16	1412	669	479	828	9	32
Boston	4.21	1512	670	512	908	12	31
Cleveland	4.25	1518	689	543	795	7	34
Seattle	4.32	1481	687	610	964	4	35
Oakland	4.46	1542	705	584	692	6	44

Individual Pitching
(10 or more decisions)

	IP	H	BB	SO	W	L	ERA
Hernandz Det	140	96	36	112	9	3	1.92
Righetti NY	96	79	37	90	5	6	2.34
Camacho Cle	100	83	37	47	5	9	2.43
Schmidt Tex	70	69	20	46	6	6	2.56
JHowell NY	104	86	34	109	9	4	2.69
Caudill Oak	96	77	31	89	9	7	2.71
Boddicker Blt	261	218	81	128	20	11	2.79
Stieb Tor	267	215	88	198	16	8	2.83
Blyleven Cle	245	204	74	170	19	7	2.87
Lopez Det	138	109	52	94	10	1	2.94
Niekro NY	216	219	76	136	16	8	3.09
Zahn Cal	199	200	48	61	13	10	3.12
Black Kan	257	226	64	140	17	12	3.12
GDavis Blt	225	205	71	105	14	9	3.12
Alexandr Tor	262	238	59	137	17	6	3.13
Burris Oak	212	193	90	93	13	10	3.15
Waddell Cle	97	68	37	59	7	4	3.15
Viola Min	258	225	73	149	18	12	3.21
Petry Det	233	231	66	143	18	6	3.24
Tanana Tex	246	234	81	141	15	15	3.25
SStewart Blt	93	81	47	56	7	4	3.29
LSanchez Cal	84	84	33	62	9	7	3.33
Beckwith Kan	101	92	26	75	8	4	3.40
Langston Sea	225	188	118	204	17	10	3.40
Beattie Sea	211	206	75	119	12	16	3.41
Butcher Min	225	242	53	83	13	11	3.44
Witt Cal	247	227	84	196	15	11	3.47
Berenguer Det	168	146	79	118	11	10	3.48

NATIONAL LEAGUE

Team Batting

	AB	R	H	HR	RBI	Pct
Philadelphia	5547	712	1479	145	665	.267
San Francisco	5576	673	1476	112	637	.265
Houston	5511	686	1451	79	634	.263
Chicago	5438	762	1415	136	703	.260
San Diego	5502	686	1425	109	629	.259
New York	5405	649	1371	107	602	.257
Pittsburgh	5503	607	1400	98	576	.254
StLouis	5433	652	1369	74	610	.252
Montreal	5438	593	1364	96	553	.251
Atlanta	5390	627	1332	110	573	.247
Los Angeles	5399	580	1316	102	531	.244
Cincinnati	5494	627	1338	106	578	.243

Individual Batting
(300 or more at-bats)

	AB	R	H	HR	RBI	Pct
Gladden SF	342	71	120	4	31	.351
Gwynn SD	606	88	213	5	71	.351
Lacy Pit	474	66	152	12	70	.321
CDavis SF	499	87	157	21	81	.315
Sandberg Chi	636	114	200	19	84	.314
Cruz Htn	600	96	187	12	95	.312
Ray Pit	555	75	173	6	67	.312
Hernandez NY	550	83	171	15	94	.311
Cabell Htn	436	52	135	8	44	.310
Raines Mon	622	106	192	8	60	.309
Guerrero LA	535	85	162	16	72	.303
Leonard SF	514	76	155	21	86	.302
Oliver Phi	432	36	130	0	48	.301
Puhl Htn	449	66	135	9	55	.301
GCarter Mon	596	75	175	27	106	.294
VHayes Phi	561	85	164	16	67	.292
Brenly SF	506	74	147	20	80	.291
Matthews Chi	491	101	143	14	82	.291
McGee StL	571	82	166	5	50	.291
Murphy Atl	607	94	176	36	100	.290
Washington Atl	415	62	119	17	61	.287
Morrison Pit	304	38	87	11	45	.286
Rose Cin	374	43	107	0	34	.286
TPena Pit	543	77	156	15	78	.286
Parker Cin	607	72	173	16	94	.285

Team Pitching

	ERA	H	ER	BB	SO	ShO	SA
Pittsburgh	3.11	1332	509	500	987	13	34
Los Angls	3.17	1380	516	499	1022	16	27
Montreal	3.31	1333	522	474	852	10	48
Houston	3.33	1339	533	499	932	13	29
San Diego	3.48	1327	565	562	809	17	44
Atlanta	3.57	1391	571	522	846	7	48
StLouis	3.61	1429	582	494	803	12	51
New York	3.63	1362	579	569	1023	15	49
Philadelph	3.64	1388	583	440	882	6	35
Chicago	3.75	1458	598	445	872	8	50
Cincinnati	4.17	1445	677	577	945	6	25
San Francisco	4.38	1589	703	543	836	7	36

Individual Pitching
(10 or more decisions)

	IP	H	BB	SO	W	L	ERA
Sutter StL	123	109	23	77	5	7	1.54
Dawley Htn	98	82	35	47	11	4	1.93
Bedrosn Atl	84	65	33	81	9	6	2.37
Andersen Phi	91	85	26	52	3	7	2.38
Denny Phi	154	122	29	94	7	7	2.45
APena LA	199	186	46	135	12	6	2.48
Scurry Pit	46	28	22	48	5	6	2.53
Orosco NY	87	58	34	85	10	6	2.59
Gooden NY	218	161	73	276	17	9	2.60
Hershiser LA	190	160	50	150	11	8	2.66
Tekulve Pit	88	86	33	36	3	9	2.66
Sutcliffe Chi	150	123	39	155	16	1	2.69
Schtzdr Mon	136	112	36	89	7	7	2.71
Rhoden Pit	238	216	62	136	14	9	2.72
Candelria Pit	185	179	34	133	12	11	2.72
Power Cin	109	93	46	81	9	7	2.82
Honeycutt LA	184	180	51	75	10	9	2.84
Lea Mon	224	198	68	123	15	10	2.89
Reardon Mon	87	70	37	77	7	7	2.90
Gossage SD	102	75	36	84	10	6	2.90
Dravecky SD	157	125	51	71	9	8	2.93
McWilms Pit	227	226	78	149	12	11	2.93
Thurmond SD	179	174	55	57	14	8	2.97
DRobison Pit	122	99	49	110	5	6	3.02
Eckersley Chi	160	152	36	81	10	8	3.03
Valenzla LA	261	218	106	240	12	17	3.03
Ryan Htn	184	143	69	197	12	11	3.04
Niekro Htn	248	223	89	127	16	12	3.04

Exhibition Standings

AMERICAN LEAGUE

	W	L	Pct.
Toronto	19	9	.679
California	15	10	.600
Chicago	19	13	.594
Detroit	17	13	.567
New York	15	12	.556
Milwaukee	17	15	.531
Baltimore	14	14	.500
Oakland	13	13	.500
Minnesota	13	16	.448
Seattle	13	16	.448
Kansas City	12	15	.444
Boston	12	16	.429
Cleveland	12	16	.429
Texas	10	14	.417

NATIONAL LEAGUE

	W	L	Pct.
Atlanta	18	11	.621
Chicago	18	12	.600
Philadelphia	14	10	.583
Los Angeles	15	11	.577
Cincinnati	15	12	.556
New York	13	12	.520
San Francisco	14	14	.500
Houston	14	17	.452
San Diego	12	15	.444
Montreal	12	17	.414
St.Louis	8	14	.364
Pittsburgh	6	18	.250

SUNDAY'S RESULTS

Baltimore 2, Rochester (AAA) 1
Chicago White Sox 8, Pittsburgh 4
Atlanta 2, Montreal 0
St. Louis 6, New York Mets 1
Houston 3, Philadelphia 0
San Francisco 7, Oakland 5
Chicago Cubs 8, Seattle 6, 9 innings, curfew
Minnesota 2, San Diego 2, 13 innings, curfew
Los Angeles 9, California 7, 11 innings
Toronto 4, Milwaukee 3

END EXHIBITION SCHEDULE

1985 Milestones

BATTING

Pete Rose, 4,097 hits: needs 95 to break Ty Cobb's all-time record of 4,191.

Rod Carew, 2,929 hits: needs 71 to reach 3,000.

Reggie Jackson, 503 home runs: needs 10 to pass Eddie Mathews and Ernie Banks and move into 10th place on the all-time list.

Dave Kingman, 377 home runs: needs 23 to reach 400.

PITCHING

Tom Seaver, 288 victories: needs 12 to reach 300.

Phil Niekro, 284 victories: needs 16 to reach 300.

Don Sutton, 280 victories: needs 20 victories to reach 300.

Nolan Ryan, 3,874 strikeouts: needs 126 to become the first pitcher to reach 4,000.

Steve Carlton, 3,872 strikeouts, 313 victories: needs 128 strikeouts to become the first pitcher to reach 4,000; needs two victories to pass Gaylord Perry and move into 10th place on the all-time list.

Basketball

National Basketball Association Standings

EASTERN CONFERENCE

Atlantic Division

	W	L	Pct.	GB
y-Boston	62	16	.795	—
x-Philadelphia	56	22	.718	6
x-New Jersey	39	39	.500	23
x-Washington	38	40	.487	24
New York	24	54	.308	38

Central Division

	W	L	Pct.	GB
y-Milwaukee	56	23	.709	—
x-Detroit	42	36	.538	13½
x-Chicago	38	41	.481	18
Cleveland	34	44	.436	21½
Atlanta	31	47	.397	24½
Indiana	21	57	.269	34½

WESTERN CONFERENCE

Midwest Division

	W	L	Pct.	GB
y-Denver	51	27	.654	—
x-Houston	45	33	.577	6
x-Dallas	42	36	.538	9
x-San Antonio	40	39	.506	11½
x-Utah	38	40	.487	13
Kansas City	30	48	.385	21

Pacific Division

	W	L	Pct.	GB
y-L.A. Lakers	58	20	.744	—
x-Portland	39	39	.500	19
x-Phoenix	34	45	.430	24½
Seattle	31	48	.392	27½
L.A. Clippers	29	49	.372	29
Golden State	22	57	.278	36½

(x-clinched playoff berth)
(y-clinched division title)

SUNDAY'S RESULTS

New York	27	19	31	25	—102
Boston	33	24	21	36	—114

Bird 15-27 6-8 38, Parish 8-13 4-6 20; Bannister 10-18 3-9 23, Orr 9-14 1-2 19. Rebounds: New York 46 (Wilkins 10); Boston 59 (Parish 21). Assists: New York 23 (Sparrow 8); Boston 30 (Bird 10).

Portland	25	34	30	33	9—133
Los Angeles	40	27	33	24	11—135

Johnson 11-16 17-19 39, Scott 10-14 4-4 25; Vandeweghe 11-19 2-3 24, Drexler 10-25 2-2 23. Rebounds: Portland 61 (Bowie 20); Los Angeles 71 (Rambis 15). Assists: Portland 25 (Drexler 13); Los Angeles 32 (Johnson 11).

Milwaukee	21	18	19	33	—91
Detroit	26	28	28	31	—113

Tyler 10-15 0-0 20, Laimbeer 5-12 7-9 17; Pierce 5-10 6-8 16, Cummings 7-22 0-4 14. Rebounds: Milwaukee 50 (Cummings 10); Detroit 64 (Laimbeer 14). Assists: Milwaukee 15 (Pressey 4); Detroit 30 (Thomas 14).

Houston	22	22	30	31	—105
San Antonio	35	24	35	32	—126

Gilmore 10-13 12-13 32, Mitchell 9-14 1-4 19; Wiggins 8-16 1-3 17, Olajuwon 6-13 4-4 16. Rebounds: Houston 46 (Olajuwon 8); San Antonio 47 (Gilmore 10). Assists: Houston 23 (McCray 6); San Antonio 40 (Robertson, Paxson 9).

Golden State	16	33	38	38	—125
Denver	39	34	24	33	—130

English 14-26 14-16 42, Lever 10-16 2-3 22, Short 9-19 5-7 24, Floyd 7-14 4-6 19. Rebounds: Golden State 55 (Smith 8); Denver 57 (English 10). Assists: Golden State 24 (Conner 7); Denver 34 (Lever 11).

Phoenix	31	33	29	32	—125
Seattle	27	30	27	26	—110

Macy 11-13 2-2 25, Pittman 9-15 2-3 20; Chambers 15-24 8-9 38, Henderson 7-15 1-2 16. Rebounds: Phoenix 51 (C. Jones 11); Seattle 46 (McCormick 9). Assists: Phoenix 34 (Macy 9); Seattle 32 (Henderson 11).

Transition

BASEBALL

American League

CALIFORNIA—Sent Wally Joyner and Jack Howell, infielders, to its minor-league complex for reassignment. Sent Curt Kaufman, pitcher, to Edmonton of the Pacific Coast League. Placed Daryl Sconiers, first baseman, on the rehabilitation list.

CLEVELAND—Acquired the contract of Fred Manrique, infielder, from Toronto. Placed Rick Behenna, pitcher, on the 15-day disabled list, retroactive to April 2.

CHICAGO—Placed Rich Dotson, pitcher, on the supplemental disabled list. Unconditionally released Ron Reed, pitcher. Sent Jose Castro, infielder, to Buffalo of the American Association.

DETROIT—Sent Doug Baker and Mike Laga, infielders, to Nashville of the American Association.

NEW YORK—Sent Mike Armstrong and Alfonso Pulido, pitchers, to Columbus of the International League. Placed Marty Bystrom, pitcher, on the 60-day disabled list. Added Juan Bonilla, infielder, and Henry Cotto, outfielder, to the roster.

TORONTO—Placed Ron Shepherd, outfielder, on the 15-day disabled list.

National League

HOUSTON—Signed Nolan Ryan, pitcher, to a two-year contract, Bob Knepper, pitcher, to a three-year contract (plus two option years) and Terry Puhl, outfielder, to a four-year contract.

LOS ANGELES—Recalled Tom Brennan, pitcher, from Albuquerque of the Pacific Coast League. Sent Larry White, pitcher, to Albuquerque.

MONTREAL—Waived Mike Ramsey, infielder.

NEW YORK—Sent Sid Fernandez, Calvin Schiraldi and Wes Gardner, pitchers, to Tidewater of the International League. Recalled Bill Latham, pitcher, and Terry Blocker, outfielder, from Tidewater.

PHILADELPHIA—Traded Ivan DeJesus, shortstop, and Bill Campbell, pitcher, to St. Louis for Dave Rucker, pitcher. Assigned Rucker to Portland of the Pacific Coast League. Re-signed Kiko Garcia, infielder.

PITTSBURGH—Placed Steve Kemp, outfielder, on the 15-day disabled list. Sent Denny Gonzalez, infielder, and Ray Krawczyk, Manny Sarmiento, and Bob Walk, pitchers, to Hawaii of the Pacific Coast League. Sent Marv Foley, catcher, to Glens Falls of the Eastern League.

Soccer

WORLD CUP QUALIFYING

South American Group 2

Uruguay 2, Chile 1

Final points standings: Uruguay 6, Chile 5, Ecuador 1; Uruguay qualifies for the 1986 cup finals in Mexico.

ENGLISH FIRST DIVISION

Norwich 0, Ipswich 2
Queen's Park Rangers 4, West Ham 2
Stoke 0, Luton 4
Sunderland 0, Newcastle 0
West Bromwich 1, Aston Villa 0

Points standings: Everton 69; Manchester United 65; Tottenham 61; Liverpool 57; Arsenal 55; Southampton 54; Sheffield Wednesday 52; Nottingham Forest 50; Chelsea, Aston Villa 49; West Bromwich 45; Queens Park Rangers 44; Leicester, Norwich, Newcastle 42; Watford 38, West Ham 37; Ipswich 36; Luton, Sunderland 35; Coventry 34; Stoke 17.

Auto Racing

FORMULA 1 BRAZILIAN GRAND PRIX

1. Alain Prost, France, McLaren, 1 hour, 41 minutes, 26.115 seconds, 181.52 kilometers per hour (112.79 miles per hour).
2. Michele Alboreto, Italy, Ferrari, 1:41:29.374, 181.400
3. Elio de Angelis, Italy, Lotus, 1:42:16.464, 177.100, minus 1 lap
4. René Arnoux, France, Ferrari, 1:41:50.647, 174.900, minus 2 laps
5. Patrick Tambay, France, Renault, 1:42:15.509, 174.200, minus 2
6. Jacques Laffite, France, Ligier, 1:42:40.029, 173.500, minus 2
7. Stefan Johansson, Sweden, Tyrrell, 1:41:46.965, 172.000, minus 3
8. Philippe Alliot, France, RAM, 1:42:32.897, 170.700, minus 3
9. Martin Brundle, Britain, Tyrrell, 1:40:21.711, 171.400, minus 4
10. Derek Warwick, Britain, Renault, 1:41:54.024, 168.900, minus 4
11. Thierry Boutsen, Belgium, Arrows, 1:41:55.306, 168.800, minus 4
12. Piercarlo Ghinzani, Italy, Osella, 1:41:56.206, 168.800, minus 4
13. Manfred Winkelhock, W. Germany, RAM, 1:41:58.527, 168.700, minus 4
14. Gerhard Berger, Austria, Arrows, 1:30:25.504, 170.200, minus 10
15. Ayrton Senna, Brazil, Lotus, 1:20:58.033, 179.000, minus 13

Football

USFL Standings

EASTERN CONFERENCE

	W	L	T	Pct.	PF	PA
Birmingham	5	2	0	.714	175	133
Tampa Bay	5	2	0	.714	200	152
New Jersey	4	3	0	.571	172	181
Baltimore	3	3	1	.500	126	96
Memphis	3	4	0	.429	140	157
Jacksonville	2	5	0	.286	158	208
Orlando	1	6	0	.143	120	193

WESTERN CONFERENCE

	W	L	T	Pct.	PF	PA
Houston	5	2	0	.714	228	163
Arizona	4	2	0	.667	135	93
Denver	4	2	0	.667	133	126
Oakland	4	2	1	.643	175	160
Portland	3	4	0	.429	101	142
San Antonio	3	4	0	.429	94	133
Los Angeles	1	6	0	.143	130	164

SUNDAY'S RESULTS

San Antonio 15, Birmingham 14
New Jersey 31, Houston 25
Baltimore 17, Los Angeles 6

Tournament Tennis

MEN
(At Chicago)

Singles Final

John McEnroe (1), U.S., def. Jimmy Connors (2), U.S., default (torn back muscle).

Doubles Final

Yannick Noah, France, and Johan Kriek, U.S., def. Ken Flach, U.S. and Roberto Seguso, U.S., 3-6, 4-6, 7-5, 6-1, 6-4.

WOMEN
(At Palm Beach Gardens, Florida)

Semifinals

Chris Evert Lloyd, U.S., def. Carling Bassett, Canada, 6-2, 6-1.

Hana Mandlikova, Czechoslovakia, def. Pam Shriver, U.S., 6-4, 6-4.

Final

Evert def. Mandlikova, 6-3, 6-3.

Hockey

Final NHL Standings

WALES CONFERENCE

Patrick Division

	W	L	T	Pts	GF	GA
y-Philadelphia	53	20	7	113	348	241
x-Washington	46	25	9	101	322	240
x-N.Y. Islanders	40	34	6	86	345	312
x-N.Y. Rangers	26	44	10	62	295	345
New Jersey	22	48	10	54	264	346
Pittsburgh	24	51	5	53	276	385

Adams Division

	W	L	T	Pts	GF	GA
y-Montreal	41	27	12	94	309	262
x-Quebec	41	30	9	91	323	275
x-Buffalo	38	28	14	90	290	237
x-Boston	36	34	10	82	303	287
Hartford	30	41	9	69	268	318

CAMPBELL CONFERENCE

Norris Division

	W	L	T	Pts	GF	GA
y-St. Louis	37	31	12	86	299	288
x-Chicago	38	35	7	83	309	299
x-Detroit	27	41	12	66	313	357
x-Minnesota	25	43	12	62	268	321
Toronto	20	52	8	48	253	358

Smythe Division

	W	L	T	Pts	GF	GA
y-Edmonton	49	20	11	109	401	298
x-Winnipeg	43	27	10	96	358	332
x-Calgary	41	27	12	94	363	302
x-Los Angeles	34	32	14	82	339	326
Vancouver	25	46	9	59	284	401

(x-clinched playoff berth)
(y-clinched division title)

SUNDAY'S RESULTS

Pittsburgh	0	2	1	—3
Washington	2	3	2	—7

Carpenter (53), Hatcher (1), Murphy (13), Gartner 2 (50), Gustafsson (14), Stevens (21); Young (40), Lemieux (43), Babych (20). Shots on goal: Pittsburgh (on Riggin) 12-6-6—24; Washington (on Ford) 18-13-21—52.

Toronto	1	0	0	—1
Boston	1	0	4	—5

Reid (14), O'Reilly (13), Kasper (16), Sleigher (13), Middleton (30); Anderson (32). Shots on goal: Toronto (on Peeters) 5-14-10—29; Boston (on Bester) 11-8-13—32.

Winnipeg	3	1	0	0—4
Calgary	2	0	2	0—4

Arniel (22), Morlin (1), Mullen (32), Hawerchuk (53); Bozek 2 (13), Peplinski (16), Quinn (20). Shots on goal: Winnipeg (on Edwards) 11-6-8-2—27; Calgary (on Hayward, Behrend) 5-17-23-7—52.

N.Y. Rangers	1	0	0	—1
Chicago	2	0	1	—3

Brown (1), Olczyk (20), B. Wilson (10); Ledyard (8). Shots on goal: New York (on Bannerman) 12-13-9—34; Chicago (on Hanlon) 9-10-11—30.

Philadelphia	1	2	3	—6
New Jersey	0	0	1	—1

Propp 2 (43), Bergen 2 (11), Tocchet (14), Poulin (30); Muller (17). Shots on goal: Philadelphia (on Low) 10-7-8—25; New Jersey (on Lindbergh) 13-13-13—39.

Hartford	1	0	0	—1
Quebec	1	0	3	—4

Goulet (55), Maxwell (10), Sauve (13), Palement (23); Dineen (25). Shots on goal: Hartford (on Gosselin) 13-10-4—27; Quebec (on Liut) 10-12-9—31.

Detroit	2	1	2	0—5
St. Louis	2	1	2	1—6

Cyr (5), Federko (30), Pettersson (23), Mullen 2 (40), Gilmour (21); Barrett (6), Kisio (16), Foster (16), B. Smith (1), Yzerman (30). Shots on goal: Detroit (on Millen) 6-5-8-0-21; St. Louis (on Stefan) 18-13-19-2-52.

Montreal	1	1	3	—5
Buffalo	3	0	1	—4

Flockhart (10), Carbonneau (23), Tremblay (31), Rooney (1), Svoboda (4); Selling (16), Ramsey (12), Tucker (22), Orlando (3). Shots on goal: Montreal (on Sauve) 9-7-11—27; Buffalo (on Soetaert) 8-4-5—17.

Golf

Top finishers and earnings in the Greater Greensboro Open, which concluded Sunday on the 6,958 yard, par-72 Forest Oaks Country Club course at Greensboro, North Carolina:

Joey Sindelar, $72,000	68-76-72-69—285
Craig Stadler, $35,200	70-74-71-71—286
Isao Aoki, $35,200	71-69-74-72—286
Corey Pavin, $19,200	75-70-71-71—287
Ed Fiori, $13,560	74-73-71-70—288
Jeff Sluman, $13,560	66-71-77-74—288
Doug Tewell, $13,560	71-72-71-74—288
Don Pohl, $13,560	68-74-71-75—288
Bill Kratzert, $13,560	71-74-69-74—288
Brad Faxon, $9,200	71-71-75-72—289
Jodie Mudd, $9,200	70-75-74-70—289
Fuzzy Zoeller, $9,200	72-72-74-71—289
Nick Faldo, $9,200	73-73-70-73—289
Lanny Wadkins, $9,200	69-74-72-74—289
Sandy Lyle, $7,000	67-75-73-75—290
Ray Floyd, $7,000	70-76-66-78—290
Mark Brooks, $6,000	72-72-73-74—291
John Cook, $6,000	73-71-71-76—291
Peter Jacobsen, $6,000	74-69-70-78—291
Bob Gilder, $5,000	73-71-76-72—292
Scott Simpson, $5,000	73-73-73-73—292
Payne Stewart, $3,713	71-77-72-73—293
Tommy Valentine, $3,713	76-73-71-73—293
Jim Simons, $3,713	70-75-72-76—293
Buddy Gardner, $3,713	71-74-71-77—293
Bobby Clampett, $3,713	68-70-75-80—293
Phil Blackmar, $3,713	70-74-68-81—293
Peter Oosterhuis, $2,780	77-71-73-73—294
Andy North, $2,780	72-74-72-76—294
Jim Nelford, $2,780	70-72-72-80—294
Roger Maltbie, $2,780	69-73-72-80—294
Jack Renner, $2,264	70-75-76-74—295
Mike Reid, $2,264	73-72-76-71—295
John Mahaffey, $2,264	74-75-70-76—295
Lance Ten Broeck, $2,264	71-70-75-79—295

ART BUCHWALD

Many Happy Returns

WASHINGTON — My wife and I are not the sort of people who make a big deal about filling out our tax returns. As far as we're concerned, it's just another rite of spring that has to be dealt with, like spreading mulch on the lawn and manure in the rose garden.

Last week, as we have done for so many years, we cleared off the dining room table, sat down with all our forms, the checkbook, a bottle of champagne and two glasses, donned funny paper hats and went to work.

Buchwald

First we counted all our blessings and put them in Column A. Then we counted all our losses and put them in Column B.

After that we got down to the serious business of designating where our tax dollars should go.

"Do you want to give $1.3 billion for the MX missile this year?" I asked her as I poured a glass of champagne.

"Why not?" she said, drinking it down in one gulp. "What other way is there of sending a message to Moscow?"

□

"I like it when you take a tough stand," I said. "Besides, if the missile doesn't work we can always write it off as a bargaining chip. How much should we give to the B-1 bomber program?"

"Beats me," she said, as she threw confetti at me. "I haven't bought a bomber in years."

"We'll give them $2.6 billion. If it's too much, the Pentagon can always send back whatever is left over. How do you feel about making a payment to Lockheed Aircraft?"

"Are they the ones who overcharged us $640 for a toilet seat?"

"Yes, but they said it was an accounting mistake and promised never to do it again."

"All right, but I don't want to give anything to General Dynamics because they tried to stick us with their dog kennel bill."

"If we don't give to General Dynamics, how can we justify paying General Electric $168 million for their overcharges on spare parts?"

She blew on her noisemaker. "Because we need their stuff to defend the free world. Pay them, but enclose a nasty note telling them any more overruns come out of their pockets, not ours."

□

"You want to make a financial contribution to 'star wars'?" I asked her.

"What kind of money are we talking about?"

"A billion dollars to get it off the ground," I told her.

"Let's do it. Especially since it takes so little to make Caspar Weinberger happy," she said.

"Are we supporting federally guaranteed student loans?" I asked.

"I hope not. I understand the kids take their money and go out and buy convertibles and stereo equipment with it."

"College students spend money like drunken farmers," I agreed.

"Don't give anything to Aid to Dependent Families either. David Stockman says we can't afford it," she warned me.

"I trust David Stockman ever since he told schoolchildren there was no such thing as a free lunch."

□

My wife finished off the bottle. "We're doing pretty good for people who don't have an accountant."

"There is only one more item. Do you have any objection if I send in $250 billion to pay the interest on the national debt?"

"Why should I?" she giggled. "That's what our money's for. What have we got left in our checking account now?"

I added up all the disbursements in Column C and wrote the balance in Column D.

"We have $9.95," I told her.

"Great," she said, putting on a Groucho Marx mustache. "Let's go out and buy another bottle of champagne."

Turkish Art to Travel to U. S.

Washington Post Service

WASHINGTON — The first major U. S. exhibit of Turkish antiquities in nearly 20 years will open in 1987 at the National Gallery of Art. The announcement of the show, "The Age of Suleiman the Magnificent," was made when Prime Minister Turgut Ozal toured the National Gallery.

Seeking Seidelman

A Filmmaker's Search for 'Susan' After Her 'Smithereens' Success

By Carla Hall
Washington Post Service

WASHINGTON — "Desperately Seeking Susan."

In the film, Roberta, the young New Jersey housewife sitting bored under the hair dryer, pores longingly over those words in the personal ads in the newspaper and circles them in red ink.

Who is Susan? She becomes obsessed.

Desperately Seeking Susan.

In real life, Susan Seidelman, the young New York filmmaker, looking for a project, read those words in the title on a script.

Who was Susan? She became superstitious.

"Well, if I got a script called 'Desperately Seeking Susan,'" said Susan Seidelman, "I thought, 'How could I not do this movie?'"

Seidelman was in Washington recently when her new film was shown at Women Make Movies IV, a festival of films by women directors at the American Film Institute.

"We had just finished the mixing two days before I went to a theater and saw the trailer," Seidelman said. "It was spooky."

"Desperately Seeking Susan" is Seidelman's second feature, her first studio film and her most lavishly budgeted. At $5 million (extremely modest by studio standards), it cost 62 times what it took her to make independently her first feature, the highly praised "Smithereens," a gritty story about a down-and-out 19-year-old woman drifting through New York, dreaming of being a punk rock star. That film, made in 1982 for $80,000, was one of the first independent American features to be accepted into competition at the Cannes Film Festival. *It catapulted Seidelman from* the obscure ranks of independent filmmaking to the spotlight.

With "Smithereens" in hand, Seidelman basked in the glory of the international film festival circuit as she made her way from Cannes to Cairo to Cartagena. Back home in New York, scripts came her way — Diane Keaton, she said, brought her one — but Seidelman declined them and kept trying to find something that she could put her touch on. A movie that turns out badly is tough for any director, but for a woman director, it's often a death knell in a business that has rarely welcomed women.

Seidelman spent a year reading "a lot of bad to mediocre scripts": "They were teen comedy-type stuff or things that I just didn't think were right for me."

Then "Desperately Seeking Susan" caught her eye.

"There was just something about it," Seidelman said. "It had a flair to it which I thought was interesting. I liked the idea of these two different kinds of women, one becoming obsessed with the other one's life and following her around and then becoming her.

"In New York, I take a lot of public transportation. I'll be sitting on the subway and I'll see somebody, usually it's another woman — it's not sexual or anything — it's just that you become obsessed with looking at this person and wondering, 'I wonder where she's going, why she's dressed like that, what it must be like being her.'"

In the film, Roberta (played by Rosanna Arquette), drawn by her obsession, goes to the meeting place that the desperate seeker of Susan posts in his ad and watches for Susan (played by Madonna, the rock singer), who turns out to be an outrageously dressed, smart-talking hustler. Roberta follows Susan and eventually, through a comedy of errors, ends up being mistaken for Susan and is whisked into the downtown world that Susan inhabits.

Harry Naltchayan/The Washington Post

Director Seidelman: "A little darker."

So is Susan Seidelman really Susan? Or Roberta?

"I identify with both," she said. "In some ways, I certainly know where Roberta's coming from, because I grew up in a suburb of Philadelphia and that could have been my life. I've never had a life like Susan's, but living not exactly sure what you're doing in life — and ambling around — is something that I could relate to."

Seidelman, 32, went to Drexel University thinking she would become a graphics designer, but film attracted her. "I wanted to make the graphics move," she said. She enrolled at New York University's Graduate School of Film and Television where she wrote and directed three short films. Seidelman started "Smithereens" three years out of film school.

On that film, she drove her own film to the lab, made coffee and let the cast sleep at her apartment during the filming.

She is even making money from "Smithereens" with its sales in home-video form and to cable television.

Seidelman deliberately populated "Desperately Seeking Susan" with a mix of Hollywood and downtown New York — professional actors and punk characters. Rosanna Arquette ("Baby, It's You") is the biggest professional name in the cast. There's also Aidan Quinn ("Reckless") and Laurie Metcalf, who was in the Steppenwolf Theatre Ensemble production of "Balm in Gilead."

Seidelman cast Madonna before she became famous as a singer. "She's got a spiciness to her that I think comes across on film," Seidelman said.

There are lots of cameos by people of note: Richard Edson of "Stranger Than Paradise" crops up once: a former Sid Vicious bodyguard, Rockets Redglare, plays a taxi driver. And more.

"My own personality is probably a little darker than the movie," Seidelman said. "The movie is sweeter than I think I am. My sensibility is more ironical. . . . So probably if it had been totally my own movie, it would have been a little darker. The humor would have been more tongue in cheek."

PEOPLE

Big Score for the IRS

IRS agents made a big score at the estate of the rock promoter **Richard Klotzman,** who coordinated **Prince's** U. S. tour. The agents went to his Baltimore-area home, seized property worth millions of dollars and filed liens totaling $9.1 million against him. **Domenic LaPonzina,** an Internal Revenue Service spokesman, said that after years of trying to collect back taxes, the agents surprised Klotzman by driving up to his estate with two moving vans. Klotzman cooperated and the IRS drove away 14 hours later loaded with cars, art, jewelry and other property. "There was so much stuff there that Mr. Klotzman didn't even realize what he had," LaPonzina said. The haul included three Mercedes-Benz automobiles, paintings by Picasso and Chagall, more than 15 pieces of jewelry, a baby grand piano, pinball machines and several television sets. The IRS also filed suit in Florida, where Prince finished his tour last weekend, to seize receipts from a concert.

□

Michael Lewis, who got on a plane to Auckland, New Zealand, instead of Oakland, California, may not have been so far off the mark. Hollywood wants to make a television film about him. **Gil Cabot,** a producer with JenStar Productions Inc., said Sunday that Lewis will be paid $35,000 to $50,000 for the rights to his story. Lewis, 21, a student at Sacramento Community College, went way out of his way because Air New Zealand personnel pronounced "Auckland" like "Oakland" — or so he said. Lewis was trying to fly from London to Oakland when he boarded the wrong plane during a stopover in Los Angeles.

□

Village elders and merchants in Slane, Ireland, recalling violence during a **Bob Dylan** concert last July, do not want the American rock star **Bruce Springsteen** to perform this summer. Village elders voted 13-8 to block any plans for a Springsteen show at nearby Slane Castle, ancestral home of **Lord Henry Mountcharles.** Merchants voted 49-3 against a performance. During the Dylan concert, police barricaded themselves inside their station as mobs of fans besieged them, broke windows and overturned cars. Lord Mountcharles is negotiating with the singer's managers to add Irish dates to his tour in the summer.

□

At the end of an hour of tension during a game of Go, China's **Nie Wei-Ping** defeated fellow world-class master **Cho Hoon-Hyun** of South Korea. Their nations do not have diplomatic relations, but among the 175 spectators at Saturday's Go match in San Francisco were the Chinese consul, **Chen Shuyu,** and the South Korean consul, **Kie Yul Moon.** The 4,000-year-old game, a territorial "war," is considered by some to be more difficult than chess.

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John Darcy, 49, deputy director of the West Hartford Public Schools foreign language department in Connecticut, who conducts regular workshops on Spain for educators and has written numerous articles on the country and arranged student exchanges for two decades, will receive the Knight of the Order of Isabel la Católica. He learned about the award in a letter two weeks ago from **King Juan Carlos I.** "I was so surprised and embarrassed when the letter came in," he said. "I was out of the office when it came; and when I got back my secretary had posted a sign saying 'Welcome, Sir Darcy.'" Spanish officials want to hold the ceremonies June 24, the King's Day, but that's the day before Darcy and his students leave for Spain. "What am I supposed to do? Tell the students they have to leave a week early now?" he asked.

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Luciano Pavarotti is fatigued and has canceled four appearances scheduled in Miami, local opera officials said. The tenor was to appear in Verdi's "Ernani" with the Greater Miami Opera to commemorate the 20th anniversary of his debut in the United States. The company has received a cable saying Pavarotti is under doctor's orders to take a rest cure for two to three weeks, said **Robert Herman,** general manager of the Miami opera. **Nunzio Todisco,** a Neapolitan tenor, will replace Pavarotti in Miami. Pavarotti made his American debut with the Greater Miami Opera opposite **Joan Sutherland** in a 1965 production of Donizetti's "Lucia di Lammermoor."

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